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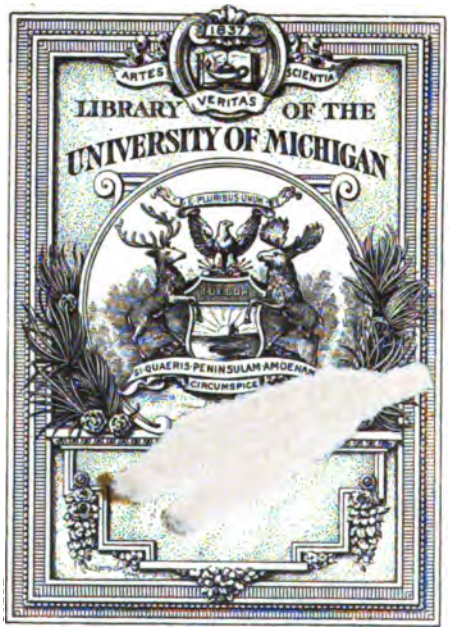
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REPORTS

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FROM THE

CONSULS OF THE UNITED STATES.

VOL. XXVIII.

OCTOBER—DECEMBER, 1888.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1888.

31296

REPORTS

FROM THE

CONSULS OF THE UNITED STATES.

No 98 —OCTOBER, 1888.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1888.

CONSULS REPORTING.

Name.	Place.	Page.
Adamson, Thomas	Panama	93
Astwood, H. C. C	San Domingo	137
Baker, E. L	Buenos Ayres	67
Barnett, Henry	Paramaribo	86
Bernhard, George	Honduras	63
Beylard, Louis D	Kingston	110
Bird, Winfield S.	La Guayra	102
Brewer, Louis R	San Benito	49
Bunker, D. T	Demerara	85
Burchard, William C	Ruatan and Truxillo	64
Burke, David W	Puerto Cabello	105
Conroy, Edward	San Juan	125
Drayton, John	Tuxpan	53
Dupré, Louis J	Salvador	66
Ehninger, Henry A	Cienfuegos	119
Finlay, Jas. F	Ponce	124
Ganslandt, August	Aquadilla	120
Greathouse, Wm. R	Tampico	50
Hill, Edmund J	Montevideo	94
Hoff, Joseph D	Vera Cruz	49
Hosmer, James R	Guatamala	59
Lallemant, J. A	San Cristobal	100
Lang, Wm. W	Hamburg	140
Langner, Albert	Tehuantepec	52
La Point, Alfred	Lambayeque	89
Magdaleno, José P. y	Trinidad de Cuba	120
McCall, Charles R	Santos	69–77
McGarr, Owen	Guayaquil	87
Morlan, Albert E	Belize	85
Plumacher, E. H	Maracaibo	94
Rehbein, M	Tovar	108
Reimer, Otto V	Santiago	116
Romberg, J. G. Nunez	Cumana	105
Sawyer, Moses H	Trinidad	112
Smith, James Henry	Mayence	173
Thompson, John E. W	Port au Prince	127
Underhill, George F	Ciudad Bolivar	104
Vifquain, Victor	Barranquilla	93
Viosca, James	La Paz	48
Walker, John F	Bogota	90
Wills, Charles H	Nicaragua	64
Wingfield, J. Richard	Costa Rica	54
Wolf, Elias	Arecibo	123

CONTENTS.

REPORT ON COFFEE.

	Page.
BRITISH WEST INDIES	110
Jamaica	40–110
Trinidad	112
CENTRAL AMERICAN STATES	25
British Honduras	85
Costa Rica	30–54
Guatamala	26–59
Honduras	63
Nicaragua	33–64
Ruatan and Truxillo	64
Salvador	66
Coffee trade of Europe (Appendix)	140
France	41
Hayti	37–127
Holland	42
MEXICO	27–48
La Paz	48
San Benito	49
Tampico	50
Tehuantepec	52
Tuxpan	53
Vera Cruz	29–49
SOUTH AMERICA	67
Argentine Republic	67
Brazil	4–69
Bahia	14
Ceara	76
Minas Geraes	15
Pernambuco	14
Rio de Janeiro	5–71
São Paulo	8
Santos	77
British Guiana	85
Dutch Guiana	86
Ecuador	35 87
Paraguay	89
Peru	36–89
Callao	36
Lambayeque	89
Republic of Colombia	34–90
Barranquilla	93
Carthagena	35
Grenada	34
Panama	93
Uruguay	94
Venezuela	20–94
Cuitad Bolivar	22–104
Cumana	105
La Guayra	23–102
Maracaibo	22–94
Puerto Cabello	25–105
San Cristobal	100
Tovar	108

	Page.
San Domingo	39–137
SPANISH WEST INDIES	116
Cuba	37–116
Cienfuegos	119
Trinidad de Cuba	120
Porto Rico	38–120
Aquadilla district	120
Arecibo district	123
Ponce district	124
San Juan district	125
Taxation of coffee in Brazil	15
GIFFEN ON FOREIGN TRADE	145
HOMES OF GERMAN WORKING PEOPLE	173

CONSULAR REPORTS

ON

COMMERCE, MANUFACTURES, ETC.

No. 98.—October, 1888.

CULTIVATION OF, AND TRADE IN, COFFEE IN CENTRAL AND SOUTH AMERICA.

COFFEE.

In the fiscal year ending June 30, 1887, the United States imported 526,109,170 pounds of coffee, or more than 9 pounds for every man, woman, and child of the population. A small portion, amounting to 25,289,583 pounds was re-exported, leaving for domestic consumption more than 500,000,000 pounds. Such a high rate of consumption per capita of population is exceeded by only two nations in Europe, and in each is the higher rate due more to the quantity of imports in transit for other parts than to an absolute local consumption. According to a table prepared by that painstaking statistician, O. J. Broch, the Netherlands consumed nearly 20 pounds for each inhabitant and Belgium nearly 10 pounds per capita, results that can only be explained by the fact that these countries are the large coffee marts of Europe.

The United States is thus the largest consumer of coffee in the world, requiring for its wants more than is consumed by Germany, the United Kingdom, Austria-Hungary, and France combined. It will be of interest, therefore, to examine into the sources of the coffee supply and in what proportion the various countries of production contribute to the necessities of the United States.

The imports of 1887 were drawn from the following sources:

	Per cent. of total.	Pounds.	Value.	Per pound.
				Cents.
Brazil	69	362,928,304	$36,401,864	10+
Venezuela	11.3	59,463,487	6,770,168	11.4
Dutch East Indies	3.4	18,099,536	2,344,602	12.9
Guatemala	3	15,645,848	2,035,013	13
Mexico	2.7	14,567,005	1,837,450	12.5
Republic of Colombia	2.5	13,595,678	1,437,177	10.6
Costa Rica	1.3	7,211,833	1,061,601	14.7
San Salvador	1.3	6,813,774	809,096	11.8
Hayti	1	5,745,198	709,976	12.3
Netherlands	.9	5,187,837	715,698	13.8
British West Indies	.8	4,551,559	492,586	10.8
Total imports		526,109,170	56,347,600	10.7

The bulk of the coffee is thus obtained from American sources. It is to determine, as far as possible, the extent and conditions of these sources that the following reports of the consular officers were called for. That they are imperfect must be understood, for there is an almost total lack not only of official statistics but of private investigation in the commercial and productive interests of the countries of Central and South America. The returns are thus in a measure guess-work, and due allowances should be made for error. To correct the returns as far as is possible the figures of import of European countries and the United States are given, and the countries of origin whence they are ob-

tained. This is at best a partial check, and, when values are considered, almost valueless, so widely do the valuations at the ports of export and of import differ.

If we examine the returns of imports into the United States for the past ten years it will be seen that the coffee trade remains almost in the same position, relatively, as it held in 1878. In 1878 and 1887, 93 per cent. of our imports were derived from American sources, while in 1883 the proportion had fallen to 88 per cent. More than this, the relative importance of each country has altered but little, only Hayti and Venezuela showing any noticeable change, as the following table shows:

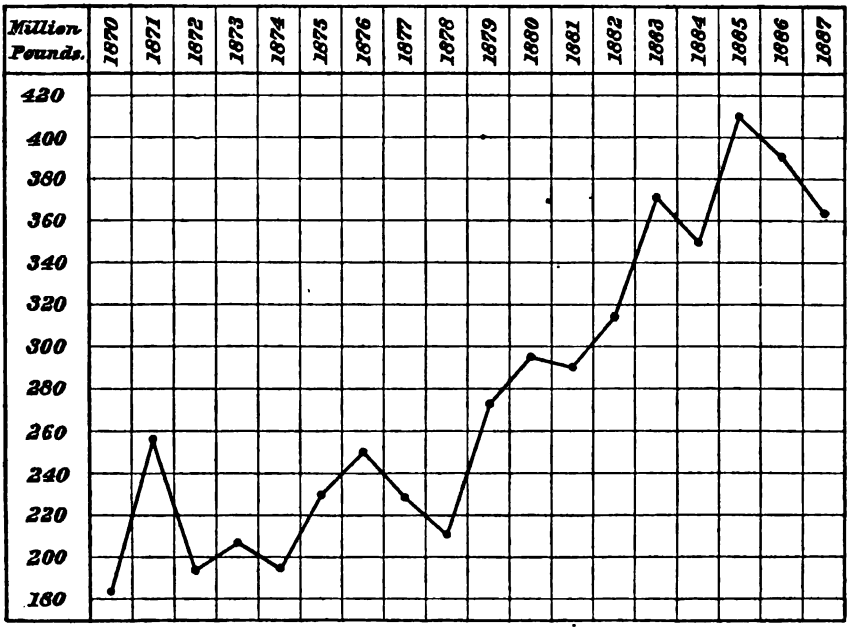
Proportion of American supply of coffee furnished by each country.

Countries.	1878.	1883.	1887.
	Per cent.	*Per cent.*	*Per cent.*
Brazil	73	82.2	73.4
Central America	4.8	5.4	6.6
British West Indies	0.8	1.3	0.9
Hayti	4.4	3.9	1.1
Mexico	2.1	1.8	2.9
United States of Colombia	2	2.8	2.7
Venezuela	12.6	10.5	10.2

BRAZIL.

Imports of coffee from Brazil into the United States.

[From Treasury tables.]



Brazil is the leading producing country in coffee, supplying about one-half of what is regarded as the average annual coffee crop of the

world (650,000,000 kilos, or 1,430,000,000 pounds). Its most important producing and commercial interests are based upon the growth and preparation of coffee for the market. In the year ending June 30, 1872, there were shipped from all parts of the Empire 4,059,739 bags of 120 pounds each, and in that ending June 30, 1885, 6,239,118 bags, or 748,694,160 pounds. In 1884–'85 coffee alone represented over two-thirds of the total value of the exports.

The distribution of the coffee-producing area in Brazil is difficult to define, because the only source of information are the export returns, and no attention is paid in these to the districts of origin. Thus, a part of the crop of São Paulo is sent to Rio de Janeiro for shipment, while another part is sent to Santos. The provinces which produce most are those of Rio de Janeiro, São Paulo, Minas Geraes, Pernambuco, Para, Bahia, and Rio Grande do Sul. Of these Para and São Paulo have steadily increased their production; Rio de Janeiro, Minas Geraes, and Rio Grande do Sul have remained very nearly stationary, and in Pernambuco and Bahia production seems to be on the decline (Consular Reports, No. 82, p. 354).

RIO DE JANEIRO.

The coffee tree is found growing in almost every part of this province, in the plains as well as in the high lands. The principal plantations are situated in the Cantagallo range in the lands in the vicinity of the Parahyba River, the bed of which is from 885 feet to 1,068 feet above the level of the sea at Commercio, Uba, Vassouras, and other places. The trees are there planted on the sides of steep hills. The coffee blossoms from August to October, according to locality, and is picked in March and April. A hectare of land (2.47 acres) is supposed to contain some 918 coffee trees which yield from 675 to 2,000 kilos, according to the fertility of the soil. (British Foreign Office, No. 45, p. 7).*

From such a description it is impossible to determine to what extent the coffee-producing area of the province is utilized, but it may be generally stated that there is room for great extension. The district comprises about 105,937 square kilometers, and the population, including that of the municipality, 802,552 free and 361,110 slaves. Of the 500,000 free in the province (apart from the city) about one-third only is occupied in agriculture. This not only gives a very sparse population (about 10 persons to the kilometer), but also a small proportion for the agricultural population.

Four-fifths of the slave population are said to be engaged in agricultural pursuits, the greatest portion living on the sugar estates in the district of Campos and on the coffee estates in the districts of Cantagallo, Para, Hyba do Sul, Valença, Vassouras, and other places (British Foreign Office, No. 45).

Nor is this the only indication of room for improvement, for the methods of cultivating the coffee plantations are wasteful and slovenly. Consul-General Andrews reported in 1884:

Coffee, the chief crop of the country, is principally grown on large plantations by slave labor, but has not contributed much to the promotion of agricultural science, though in each of the last two years very well arranged coffee expositions in this city, under the association of agriculture and commerce, indicate a disposition in that direction. By far the greater proportion of Brazilian coffee is raised in the country tributary to Rio de Janeiro and on mountainous and hilly land, naturally timber-producing. The soil exclusively used for growing coffee is a deep or purple red clay, known in Brazil as terra roxa. In the province of Rio de Janeiro 1,000 trees yield per year 740 pounds or 5¼ bags; in the province of Minas Geraes, 800 pounds or 6 bags; in the province of São Paulo, 1,440 pounds or 11 bags, and in the vicinity of Cam-

* See Consul McCall's estimate in this number.

puias, 1,920 pounds or 14½ bags. Fifty per cent. of the coffee plantations, with the slaves thereon, are under mortgage, and of these 30 per cent. are beyond redemption (U. S. Consular Reports, No. 40).*

Of even greater weight is the opinion of Professor Derby, of the National Museum of Brazil:

The present system of agriculture affords no certain criteria for judging of the capabilities of the soil under prolonged cultivation. * * * The Brazilian farmer, employing the rudest methods and having an abundance of virgin soil at his command, substitutes for the rotation of useful crops, by means of which the European and American farmer keeps up the fertility of his land, the, to him, more convenient but slovenly rotation of useful crops with jungle. When, however, these same lands are planted with perennials, such as coffee, which require a certain amount of careful annual cultivation, they are seen to be capable of producing abundant useful crops for a period of twenty, thirty, or forty years.

To which may be added another extract from Consul-General Andrews's report:

On the larger coffee and sugar plantations agriculture is in an advanced state, so far as it can be under slavery, though nothing except working with the hoe and, very exceptionally, with the plow is done for the improvement of the soil. The latter is never manured, its natural richness on these larger and widely scattered plantations being alone depended upon. The soil on the best plantations is a purple clay of considerable depth, and its areas here and there exist like islands in a wide sea of ordinary and sometimes worthless land. The best soil, also, is usually on elevated situations, covered in its virgin state with mammoth trees, and being thus safer from frost is all the better for the coffee tree. Coffee, though grown principally in the three large provinces near Rio, is raised successfully in every province, except perhaps the two most southerly ones.

That the conditions have not changed for the better Mr. Armstrong testifies in his report in this number.

A still further consideration must be taken into account. The extension of railroads will open up new coffee-producing districts. The Dom Pedro line, running along the Parahyba River, taps the important coffee district of Minas and São Paulo. In 1884 it carried 155,365,600 kilograms of coffee, its total merchandise traffic being 429,886,000 kilograms. The Cantagallo line, owned by the provincial government of Rio de Janeiro, traverses numerous coffee districts, and is intended to connect with the district of S. Fidelis, on the Parahyba River. In 1884 it carried 18,382,000 kilograms of coffee, the chief part of which came from Bom Jardim, Cordeiro, and Macuco. In 1885 its coffee traffic had increased to 23,500,000 kilos (51,700,000 pounds). The Ramae de Cantagallo line is intended to open communication from the River Pomba to Nitheroy. In 1884 it carried 5,279,000 kilograms of coffee. Another line, the Macahé and Campos line, connects the port of Imbetiba, on the sea, with Campos, on the Parahyba, and projected roads will connect Campos with the metropolis. While Campos is in the center of the sugar-producing district, these new lines will afford important connections with coffee regions. In 1884–'85 the portions completed (including the connecting line of steamers from Campos to S. Fidelis) carried 29,900,000 kilos (65,780,000 pounds) of coffee. The Campos and Carangola line, running from Campos to Tombos with a branch touching the Itabapuana River, carried in 1884–'85, 18,100,000 kilos (39,820,000 pounds) of coffee. How important a factor in the coffee economy of the province these roads constitute may be judged from the fact that they carried in 1884 235,928,000 kilograms (519,541,000 pounds), or 3,932,133 sacks; that is

* "From the inquiry which the Government proceeded to make in1874 on the state of agriculture, both on the large as well as on a small scale in each province, it was ascertained that in one of them the rate of interest on the loans made to the said agriculture ranged at between 48 and 72 per cent. per annum, and in many from 18 to 24 per cent." (Senhor Dantas, Chamber of Deputies, May 1, 1877).

to say, about three-fourths of the total quantity exported from Rio de Janeiro. It is also evident to how large an extent the income and prosperity of these roads are dependent upon the coffee crop.* At the same time the high freights charged by these roads are said to constitute a barrier to the development of the regions they traverse. In 1881 the Dom Pedro II line charged 14 cents per ton per mile for coffee.

Thus coffee sent from many of the more distant plantation must pay $1.75 and $2, or even $2.50, per sack before reaching Rio de Janeiro or Santos, while the same coffe, is shipped from Rio to New York at rates, varying according to supply of vessels from $3.25 to $11 per ton, or 20 to 65 cents per bag. (Consul-General Andrews, 1881.)

The total quantity of coffee exported in 1884–'85 was 247,723,907 kilos, a quantity far greater than that of 1883–'84, which was 184,674,864 kilos, and greater also than the average of 1878–'79 to 1880–'81, which was 214,433,896 kilos, and 1881–'82 to 1883–'84, which was 232,044,313 kilos; the value in the first term having been 100,883,632 milreis, and in the second term 82,912,503 milreis; this decline of value in this latter period being solely due to a fall in price. Prices have been falling since 1880–'81, but in 1884 they began to take a turn in favor of the planter. If, as some state, the consumption of coffee in the markets of the world is overtaking production, some advance in prices of coffee may ere long be reasonably expected.

Prices at present are—

		Milreis.
Washed	Per 10 kilos	4,200 to 6,000
First, good	do	4,360 to 4,970
Second, good	do	3,400 to 3,950
Second, ordinary	do	3,000 to 3,540
Ordinary	do	3,750 to 4,290

In 1884 prices were somewhat higher than the above.

It is impossible to furnish any accurate information as regards the stocks on hand of this production, little information of any value being published in relation to this subject.

In Brazil the cultivation of coffee has increased considerably since the year 1870, the supply now furnished being equal to one-half of the production of all other countries.

The following figures give us the average rate of increase:

Five years,	1870 to 1874	sacks of 60 kilos	2,182,152
	1875 to 1879	do	2,987,368
	1880 to 1884	do	3,789,103
Total exported in 1885		do	4,206,911

If, therefore, some complain of a decrease in price, on the other hand they are compensated by increased demand.

Fresh land is continually being opened and planted, and consequently there is not likely to be any diminution in the supply of this production from this part of the world. (February, 1886.)

Exports of coffee from Rio de Janeiro.

In year 1880–'81 4,139,419 bags:	Milreis.
Great Britain	9,138,296
British colonies	2,486,246
United States	55,425,027
Germany	10,845,609
France	15,576,003
Portugal	5,007,340
Belgium	6,259,007
Argentine Republic	2,166,351
Other	2,407,675
	109,311,554

NOTES.

In the districts of Cantagallo, S. Fidelis, and other parts, for some years past, the coffee trees have been subject to a disease manifested, firstly, in the yellowness of the upper leaves and afterwards in the shoots, the trees soon drying up. In this way

* I have summarized these facts from B. F. O. No. 45.

about one-tenth part of the trees in the above-named districts have perished. This disease is supposed to be propagated by an insect which lives in and feeds on the roots. It deposits its eggs in the knots of the roots, causing the fibers of the same to rot. On this the eggs are seen on the earth, having the shape of mushrooms. This generally takes place in the heaps of weeds or grass which rot at the foot of the trees, forming a fine soil for the new root fibers.

As a remedy against this evil it is recommended by Dr. Glazion that the weeds and grass should never be heaped up to rot near the roots, but should be left to be dried by the sun and afterward brought together and burned. The orange trees are also subject to be attacked by the same plague. Dr. Glazion is convinced if this rule be attended to that in two years' time the coffee estates will return to what they were formerly. (H. B. M. Consul Ricketts, February, 1887.)

SÃO PAULO.

Second in importance stands the province of São Paulo, with a climate and soil admirably fitted for coffee culture.

The French minister to Brazil, in a report on the province of São Paulo, made in 1885, gives the following places as best adapted for the production of coffee:

Amparo.—At Bon Jesus de Monte Alegre 20,000 arrobas of coffee are produced, which will be increased to 50,000 by new plantations.
Araraquara.—Virgin lands of the first quality for coffee culture, which is increasing rapidly. Fifteen machines have just been set up.
Areas.—Seven coffee works, provided with the best machinery.
Batataes.
Belem do descalvado.—Very fertile land; 400,000 arrobas of coffee; about to be raised to 600,000.
Caçapava.
Caraguatatubu.
Cunha.
Limeira.—One of the most important centers of coffee production.
Penha do Rio do Peixe.—Fifteen faciendas, supplied with steam machinery.
Paracicaba.—Three hundred thousand arrobas of coffee.
S. José des Campos.
San Simon.

Its production has increased more rapidly since 1871 than that of Bahia or Rio de Janeiro, and the intelligent and painstaking report of Consul McCall indicates an even greater increase in the near future. While the quantity exported from Rio de Janeiro doubled in the ten years 1871–1880, and from Bahia remained almost stationary, the shipments from Santos, the sea-port of São Paulo, trebled in quantity. Everything, in fact, points to this province as the best adapted for extending the cultivation of the coffee berry, even if we can not entirely accept Mr. McCall's prediction, apparently well supported, of an annual production of 5,000,000 bags. As the whole economy of the province may be said to be based upon coffee, the shock experienced by the great and sudden fall in its price was consequently more severely felt, and was thought to have prostrated the province. To aggravate matters, the emancipation of the slaves was believed to threaten the only labor at the command of the coffee planters, and dire predictions were made of the results. There was a plan to import coolies, to introduce German colonists, and to utilize the native Indian population; and, though emancipation is now an accomplished fact, the coffee interests of Santos remain no more seriously affected than is any other branch of production that is suffering from a surplus over demand, a probably temporary condition, best remedied through the workings of natural economic laws, and only aggravated by expedients designed to shield the planters from the operation of those laws. That

the labor and capital of the province were completely devoted to coffee culture was a misfortune, as making a change the more difficult when conditions became unfavorable to coffee production; but it has been found that some profit could be gained even under low prices, and that a movement primarily induced by speculation could be conducted on a firm basis.

The course of events since 1880 is shown by the following extracts from the British, French, and Belgian consular reports:

SANTOS.

The high prices and brisk demands of the years which preceded 1880 made all the planters and capitalists of the province lose their heads over coffee, and, without any regard to economic principles, immense tracts of land, even in the most remote parts of the province, were placed under coffee cultivation; railways were constructed in every direction to bring down the crops to Santos for shipment; and thousands of slaves were purchased in and brought from the provinces of Bahia and Pernambuco to push forward the cultivation of the lucrative berry.

All went well until about the end of 1880, when the simultaneous yield of all the new lands and increased production in other countries completely overstocked all the markets to such an extent that the speculators of Havre and Hamburg were unable to dispose of the immense stocks acquired by them. Hence the remarkable fall in the price of coffee.

To give an example of the rapid increase in the crops of this province, it may be stated that near or about the year 1860 the crops did not exceed on an average 70,000 bags; at present they are about 2,000,000 bags a year. But the year 1882 was a far gloomier one than 1881. Throughout the year the decline continued in all the markets of Europe and the United States, and by the end of the year reached the alarming depreciation of 65 per cent. below the ruling prices of four years back.

Under these aggravated circumstances planters were absolutely suffering a loss by the sale of their crops, and not a few preferred to allow the berries to rot on the fields, while the principal merchants were completely paralyzed in their mercantile operations, and almost entirely abstained from the risk of transactions on a declining market. Business thus fell into new hands, and combinations in speculation were adopted which the old merchants say ruin legitimate trade and will bring no good to the speculators.

The depreciation of this staple produce has been most disastrous to the merchant and the planter individually; but owing to the large increase in the crops, the province has suffered no diminution on the actual amount netted on its production in comparison with previous years. On the contrary, the total value obtained for the crop of 1882 was far in excess of that of any other year, notwithstanding the great depreciation on former prices. For instance, the crop of 1879 (1,200,000 bags) netted over £3,500,000 sterling, whereas the crop of 1882 (1,700,000 bags) netted more than £4,000,000; but had the prices of 1879 ruled the net proceeds to the province would have been considerably above £5,000,000. It will therefore be seen that the province can congratulate itself on having passed through the crisis with an expanded revenue. * * * An important question to be considered is whether the crisis in the coffee industries and trade of this province is of a permanent or transient nature. The answer to this is that it would be of a permanent and ruinous nature if the crop were to continue to increase at a greater ratio than the consumption. But planters and capitalists have been so severely chastised by their past rashness that the agricultural industries of the province will surely be placed on a more solid footing than heretofore—a footing that will ultimately enhance the prosperity and importance of the province. In the first place, it may be taken for granted that no further lands will be placed under coffee cultivation. The coming crops may therefore be as large as the one last exported, but the probabilities are that they will be less. Thus with a stationary supply for the next few years it may be expected that the ever-increasing consumption will soon clear the overstocked markets and result in a profitable trade in the near future. Hence it may be inferred that the worst of the crisis has now passed, and that remunerative prices will be obtained for the next crops, but never such high prices as ruled four years ago. In the second place, the crisis has opened the eyes of planters and capitalists to the danger of reliance on one sole article of produce; and the climate and soil of São Paulo, which is suitable to a variety of remunerative productions, will before long see the development of several agricultural industries other than coffee.—(March, 1883.)

The year 1884 was not an era of great prosperity throughout the province of São Paulo. In the earlier part of it a mania for speculating in coffee seized upon a large portion of the native mercantile class, and extended to other professions than those

dealing with that article. It was imagined that the price of this commodity must advance, and many artificial means were resorted to, both on the spot and abroad, to promote such advance. Consumers abroad, however, placed little credence in the reports of short crops and future scarcity, and as they refused to buy at artificial values, the whole speculation culminated in the usual way of ill-judged and misdirected enterprises. The price of coffee declined about 25 per cent. here, with the consequence of ruin to many, and losses direct or indirect to most mercantile and agricultural classes, while the trade and progress of the province were considerably hampered. * * * Coffee still forms our sole export abroad, and production increases in spite of low value. * * * The export to Great Britain is almost nil, and what does go there is re-exported. This can only arise from the vitiated taste in England, which prefers mixed or adulterated kinds; for the Santos coffee is unsurpassed in quality, and is rapidly superseding all others on the continent of Europe.

The cultivation is almost entirely carried on by slaves, and nothing is being done to substitute free for slave labor, although it is evident that slavery can not exist in this country much longer, the majority of the people being averse to its continuance, but restrained by doubts as to the result, while nothing is organized in substitution. The labor question is in this province, as in other parts of the country, the most important matter now agitating commercial and financial circles in this country and others having interests in this direction. Here we rely entirely upon coffee, and it is the same in Rio de Janeiro; the article represents three-fourths of the entire export value of the Empire, and is produced by slave labor. Will the abolition of slavery destroy or injure this branch of agriculture? The province of São Paulo has unrivaled advantages of climate and soil for the production of coffee, besides many other articles; but the available land is subdivided amongst a comparatively few holders, who have mostly employed their means in coffee farms and slaves. Besides the fact of these holders being generally reluctant to part with their land, even when not worked, there is a considerable tax upon the transfer of landed property, and these are discouraging elements in regard to the future as impediments to free immigration. There is room in this province alone for the surplus population of Europe for generations, but no starting-point for their employment. Immigration is the real substitute for the present system of slave labor; but immigration is restricted, and is not likely to increase whilst slavery and the present taxes and laws regarding land exist. That it would under more promising circumstances there can be little doubt, and in such case the application of the natural laws of supply and demand would solve the present doubts as to the future of labor for this and other branches of agriculture. At present commerce and enterprise are hampered by the doubts expressed as to the future. Capital, instead of being attracted to the country, is leaving it. Much of this state of things may be attributed to the deplorable condition of the financial affairs, but more to the uncertainty regarding the future of our agriculture.

There is little attempt at a more diversified production.—(February 25, 1885.)

Coffee continues to be the sole produce of the province of São Paulo. It is also its sole article of export. No alteration in this staple product is probable for many years to come, inasmuch as its production is too remunerative under the present conditions of this province to be abandoned, notwithstanding the low prices ruling in the market since 1883. Moreover, São Paulo appears to compete successfully with all other coffee-growing countries, and supplies with greater advantage the increasing demands of the United States and western and central Europe.

Owing to the low prices of the last few years, profits became exceedingly small; but the trade in coffee was nevertheless lucrative, active, and always progressive, as amply testified by its extending cultivation throughout the interior of this province. However, there was general grumbling all around at the depressed prices, and gloomy forecasts of impending ruin. But as year after year passed without bringing a rise in price, and the country prospered in the face of it, pessimists began to lose faith in their prophecies, and people endeavored to make themselves as happy as possible under changed circumstances on what appeared a permanent basis of low prices, large stocks, and small profits in the coffee trade.

Coffee had fallen 60 per cent during these years of depression—a fall sufficiently great to bring fear to the most stout-hearted dealer in the trade; but experience has since shown that even after 60 per cent had been deducted, a margin was left for a fair trade.

The province of São Paulo was favored, and the year 1886 brought a most happy surprise, one never dreamed of. Coffee suddenly began to rise in price under brisk demands, and has at the present time (April, 1887) risen 80 per cent. above the lowest price touched. Nearly the whole of the São Paulo coffee of 1886 has been disposed of at this remunerative price. Such prices were never before attained.

This rise in combination with the fact that the coffee crop of 1886 was the largest on record, has been productive of magnificent results to all engaged in the trade. The planter, the dealer, and the export commission merchants have coined gold by it. On the whole the crop of 1886 has brought into the province of São Paulo 7,000,000*l.*

The province of São Paulo exports nothing but coffee, and the crop of 1886 was approximately of 2,500,000 bags of 60 kilos each.

New York, Havre, Antwerp, and Hamburg continue to be the principal markets for the coffees of this province, known in the trade as "Santos."

Other countries of central and southern Europe are becoming purchasers of "Santos" coffees.

Great Britain takes very little coffee from this port, and the greater part shipped for Falmouth is for "orders" or in transit for the continent (H. B. M. Consul Cowper).

Exports of coffee from Santos.

	Quantity.	Value.
	Tons.	
1885	119,182	£3,452,300
1886	121,331	4,314,277

Distributed as follows:

	1885.	1886.
Channel and United Kingdom	£78,190	£225,936
Hamburg	699,630	933,996
Havre	1,050,450	959,019
Antwerp	377,700	489,489
Lisbon	24,820	42,806
Mediterranean	492,620	534,777
United States	663,250	1,050,244
Other ports	65,640	78,010
Total	3,452,300	4,314,277

There is little agreement upon the quantity of coffee exported from Santos, but the figures given by the French minister claim to be official, and may be quoted:

Year.	Sacks.*	Year.	Sacks.*
1874–'75	826,382	1880–'81	1,204,198
1875–'76	754,993	1881–'82	1,524,486
1876–'77	628,903	1882–'83	1,837,846
1877–'78	999,007	1883–'84	1,929,029
1878–'79	1,210,172		
1879–'80	1,042,246	Total	11,957,262

* 60 kilos each.

According to the same writer, the destination of the exports (in sacks) were:

Year.	Great Britain and Channel.	France, Belgium, and Netherlands.	Lisbon and Mediterranean.	Hamburg and Bremen.	United States.	Rio and coastwise.
1874–'75	308,764	131,612	83,939	205,441	79,569	17,057
1875–'76	211,997	97,986	83,961	200,359	123,104	37,586
1876–'77	85,420	128,313	90,820	214,849	80,054	28,847
1877–'78	124,296	206,647	105,137	232,319	97,602	62,006
1878–'79	55,217	461,784	89,548	398,837	189,263	25,523
1879–'80	111,236	377,489	45,034	292,218	193,384	22,885
1880–'81	70,821	444,026	85,154	352,789	235,137	16,271
1881–'82	244,804	564,346	125,481	348,500	233,308	10,050
1882–'83	269,980	683,532	173,228	376,935	322,328	11,843
1883–'84	52,695	970,395	182,521	280,736	418,587	24,095

For the purpose of comparison, I give the following table showing the exports (in sacks) and destination of coffee sent from Santos, the civil year being taken:

Year.	England.	Germany.	France.	Italy.	United States.	Spain.	Belgium.	Holland.	River Plate.	For orders.			Total.
										Lisbon.	Channel.	Gibraltar.	
1870	16,691	90,171	39,768	.....	62,927	....	12,254	.....	.....	28,471	117,656	10,720	398,658
1871	34,989	109,083	26,305	.....	89,538	4	15,998	.....	.....	35,877	141,927	18,550	472,227
1872	9,596	53,101	14,495	.....	81,414	....	3,258	.....	.....	18,905	66,897	8,046	255,712
1873	21,627	148,818	50,692	6,354	74,262	....	20,108	.....	100	16,919	129,486	6,753	475,119
1874	30,753	188,384	99,152	.....	103,417	....	29,815	.....	.....	73,098	183,513	9,570	717,702
1875	33,697	205,416	82,040	.....	127,651	144	36,474	.....	.....	54,615	298,504	1,451	839,992
1876	4,056	250,880	60,579	.....	55,093	....	60,580	.....	.....	72,566	127,677	23,930	656,150
1877	8,982	260,718	122,380	19,413	91,081	....	44,016	.....	1,363	36,109	103,716	6,700	694,478
1878	7,830	349,279	216,501	.....	172,841	....	139,285	19,980	1,329	19,511	94,671	81,914	1,103,150
1879	53,311	330,300	217,378	.....	205,201	....	218,951	4,021	35	27,811	48,540	50,890	1,156,488

The following table, taken from an English report, differs somewhat, but gives some later figures:

Comparative statement of the exportations of coffee from Santos to other countries during the seven years ending December 31, 1882.

[Bags of 60 kilos each.]

Countries.	1876.	1877.	1878.	1879.	1880.	1881.	1882.
Great Britain	133,024	113,203	93,496	101,851	87,379	121,126	261,688
France, Holland, and Belgium	122,539	144,848	390,821	440,385	377,957	543,710	630,731
Mediterranean and Lisbon	101,192	81,562	100,848	78,701	57,932	127,513	124,717
Hamburg and Bremen	248,388	260,031	349,287	330,300	334,615	376,210	374,340
United States	57,893	91,081	174,591	205,201	202,507	188,384	345,343
Coastwise and River Plate	43,613	38,832	54,696	25,773	13,551	14,858	13,968
Total	706,649	729,557	1,163,739	1,182,211	1,073,941	1,371,801	1,750,737

Statement showing exports of coffee from Santos, with countries of destination, during thirty-six years from July 1, 1850, to June 30, 1886.

[Transmitted by Consul McCall.]

Years.	Hamburg.	Bremen.	Havre.	Holland and Belgium.	Mediterranean ports.	England.	Gibraltar and Cherbourg, for orders.	Portugal and English Channel, for orders.	Coastwise.	United States.
1850–'51	37,756	4,223	.....	6,566	11,463	.....	3,916	17,964	720	.....
1851–'52	45,627	7,532	.....	2,490	20,809	.....	8,775	5,294	518	.....
1852–'53	59,605	4,435	10	.....	2,520	.....	1,800	5,080	270	.....
1853–'54	73,324	.....	.....	3,325	7,110	.....	.....	13,225	300	2,575
1854–'55	40,465	8,956	.....	4,500	8,811	.....	2,393	84,862	662	14,838
1855–'56	33,990	3,400	3,500	4,501	8,411	.....	615	90,699	150	8,930
1856–'57	42,953	4,060	7,090	.....	8,393	.....	1,000	79,785	256	8,050
1857–'58	21,286	10,433	6,125	.....	6,752	.....	.....	88,516	.....	26,600
1858–'59	13,512	.....	3,050	.....	1,600	.....	.....	130,201	.....	34,340
1859–'60	21,561	.....	10,260	7,700	3,300	.....	29,763	184,879	.....	34,733
1860–'61	37,721	.....	27,970	.....	.....	.....	20,970	126,874	.....	42,821
1861–'62	34,137	.....	19,691	10,470	733	.....	24,808	174,021	.....	23,385
1862–'63	17,586	.....	3,376	.....	.....	.....	19,820	219,004	.....	23,992
1863–'64	3,310	.....	12,163	.....	5,422	.....	6,205	149,851	.....	35,902
1864–'65	50,959	.....	7,192	2,230	11,500	.....	23,984	215,706	.....	16,555
1865–'66	25,553	.....	16,772	.....	3,000	781	12,482	187,524	.....	9,034
1866–'67	39,365	.....	16,468	.....	5,715	4,925	10,584	138,796	.....	6,879
1867–'68	88,722	.....	31,229	.....	.....	43,306	12,857	193,102	89,703	14,900
1868–'69	80,072	.....	33,107	.....	44	42,457	20,348	261,950	51,526	17,826
1869–'70	122,421	.....	50,343	6,033	180	13,605	24,595	152,050	50,073	83,340
1870–'71	71,232	.....	19,482	24,252	4	14,078	35,529	152,144	44,090	76,769
1871–'72	61,721	.....	22,289	7,859	3,559	7,156	57,084	100,520	64,258	80,159
1872–'73	118,563	4,671	37,123	18,414	2,154	24,762	28,529	137,414	11,882	59,698
1873–'74	200,842	.....	56,184	33,818	1,404	9,524	40,517	152,922	52,459	119,279
1874–'75	205,431	.....	97,070	37,090	304	37,400	83,635	268,814	16,619	80,063
1875–'76	200,361	.....	82,448	12,225	4,988	7,580	76,922	208,332	39,037	123,104
1876–'77	214,847	.....	98,214	30,125	44,262	7,312	3,200	121,440	28,844	80,654
1877–'78	323,319	.....	173,487	112,981	61,150	5,697	6,700	156,065	61,951	97,602
1878–'79	397,519	.....	217,156	247,285	59,195	20,322	.....	62,331	27,093	179,263
1879–'80	291,277	.....	207,308	174,935	19,798	59,395	10,000	62,195	23,847	193,384
1880–'81	339,037	.....	213,410	245,366	38,719	46,323	17,800	52,135	16,401	235,137
1881–'82	340,810	.....	318,062	254,576	39,894	17,821	.....	309,965	10,050	233,308
1882–'83	351,882	.....	436,365	247,339	108,402	70,724	76,205	212,041	11,842	323,046
1883–'84	283,413	.....	841,093	140,857	108,457	11,209	78,918	22,400	24,095	418,587
1884–'85	391,069	4,827	716,522	220,155	301,653	9,867	13,867	20,500	11,475	475,181
1885–'86	426,562	.....	292,852	204,099	219,954	12,000	2,520	19,350	4,938	474,900
Total	5,107,811	52,537	4,077,411	2,059,191	1,119,660	466,262	756,341	4,577,541	593,059	3,654,834

SUMMARY.

Years.	Total.	Years.	Total.	Years.	Total.
1850–'51	82,608	1863–'64	212,853	1876–'77	628,898
1851–'52	91,045	1864–'65	328,126	1877–'78	998,952
1852–'53	73,720	1865–'66	255,146	1878–'79	1,210,164
1853–'54	99,859	1866–'67	222,732	1879–'80	1,042,739
1854–'55	165,487	1867–'68	423,819	1880–'81	1,204,328
1855–'56	154,196	1868–'69	507,348	1881–'82	1,524,486
1856–'57	151,587	1869–'70	502,640	1882–'83	1,837,846
1857–'58	159,712	1870–'71	437,580	1883–'84	1,929,029
1858–'59	182,793	1871–'72	404,605	1884–'85	2,165,116
1859–'60	291,696	1872–'73	443,210	1885–'86	1,657,176
1860–'61	256,356	1873–'74	666,949		
1861–'62	287,245	1874–'75	826,426	Total	22,464,647
1862–'63	288,778	1875–'76	754,997		

NOTE.—From 1850 to 1873, inclusive, in sacks of 5 arrobas each; from 1873 to 1886, inclusive, in sacks of 60 kilograms (132.3 pounds) each.

BAHIA.

[From British Consular Reports.]

The bulk of the exports from this province consists of what is commercially known as "first quality Bahias," which at the commencement of the year were in good demand at 42*s.* 6*d.* per hundredweight, free on board, with freight by steamer to the United Kingdom, and by the end of January the quotations reached 45*s.* 6*d.*, the figure so remaining until the end of February, when the article declined by 1*s.* 6*d.* in the hundredweight, gradually falling until the end of November to 30*s.* 9*d.* Renewed inquiry about this time set in, and at the end of the year quotations again advanced to 33*s.* 6*d.*

Although this article has not escaped the common lot of most of the other products, still the results of the crop, as a whole, are said to have been fairly good to the producers, more especially to the small planters or squatters, who, for the most part, I am assured, pay no ground-rent, and work the land themselves, and who annually increase in number.

These squatters, naturally lazy and indolent, prefer coffee-growing to any other branch, because of the comparatively easier labor it entails, and they are now learning to prune their plants more scientifically from some of their number who came not very long ago from the more educated and better cultivated estates and plantations at Rio de Janeiro and Santos on (I am told) a verbal compact: "To receive a third of the crop for three years for only superintending and suggesting the treatment of the shrubs."—(March, 1885.)

Exports of coffee from Bahia.

Year.	Bags.	Year.	Bags.	Year.	Bags.
1864	42, 388	1871	65, 282	1878	75, 562
1865	99, 703	1872	101, 466	1879	91. 558
1866	69, 261	1873	51, 748	1880	135, 941
1867	83, 889	1874	52, 738	1881	126, 477
1868	87, 541	1875	103, 324	1882	145, 940
1869	91, 430	1876	122, 552	1883	108, 798
1870	86, 037	1877	122, 708	1884	91, 540

Destination of Bahia coffee exports.

Countries.	1875–'76.	1877.	1878.	1879.
	Reis.	*Reis.*	*Reis.*	*Reis.*
Great Britain	1, 391, 186. 523	1, 644, 399. 212	905, 522. 656	454, 230. 028
Germany	648, 713. 445	490, 377. 667	584, 520. 845	283, 844. 089
France	675, 985. 045	842, 261. 667	567, 024. 100	204, 335. 478
Portugal	683, 290. 623	125, 927. 279	486, 144. 100	330, 900. 500
Belgium	61, 914. 856	99, 718. 445	203, 899. 456	290, 862. 023
Argentine Republic	2, 608. 200			
United States	54, 751. 056	223, 303. 867	222, 681. 389	31, 834. 778
Coast of Africa		260. 123	437. 712	148. 367
Uruguay		48. 000		
Italy		54, 162. 000	79, 948. 278	18, 903. 300
Peru			58. 878	
Total		2, 980, 451. 260	3, 096, 204. 914	1, 615, 058. 558

PERNAMBUCO.

The planting of this tree continues on a small scale, and planters at present are very chary of extending their operations on account of the low prices ruling. I believe that some inland parts of the province are very suitable for its cultivation, but so far there is no exportation; in fact large quantities are imported from Rio for consumption.—(April, 1883).

In 1882 24,246 pounds of coffee, valued at $1,745, were exported to France and Portugal.

MINAS GERAES.

In the province of Minas Geraes, which adjoins that of Rio de Janeiro, coffee "is grown in most parts, but the greatest quantities come from the districts of Mar d'Espanha, Parahybuna, Leopoldina, and the vicinity of Porto Novo da Cúnha. The quantity exported varies from 70,000,000 kilos to 87,000,000 kilos, according to the crop.

Brazilian coffee shipments.

[From Commercial Relations, 1880-'81.]

Years.	Rio de Janeiro.	Santos.	Bahia.	Total.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
1871-'72	279, 432, 550	55, 121, 579	16, 433, 129	350, 987, 258
1872-'73	402, 200, 201	69, 562, 799	8, 413, 342	480, 176, 342
1873-'74	278, 529, 325	81, 726, 910	7, 507, 063	362, 763, 297
1874-'75	424, 096, 514	107, 643, 778	13, 669, 765	545, 410, 057
1875-'76	382, 345, 677	93, 186, 431	16, 213, 630	491, 745, 738
1876-'77	368, 011, 237	80, 611, 184	16, 234, 268	464, 856, 689
1877-'78	348, 312, 296	123, 688, 090	9, 996, 853	481, 998, 139
1878-'79	490, 281, 309	156, 855, 012	12, 113, 123	659, 249, 444
1879-'80	395, 564, 671	135, 624, 434	17, 984, 994	549, 194, 099
1880-'81	554, 393, 095	156, 938, 494	16, 732, 907	728, 064, 906
	3, 918, 186, 874	1, 060, 959, 611	135, 299, 074	5, 114, 445, 559

Brazilian coffee trade.

[In sacks of 60 kilos.]

Year.	United States.	Europe.	Year.	United States.	Europe.
1877	1, 710, 073	1, 136, 482	1882	2, 459, 132	1, 741, 458
1878	1, 670, 388	1, 360, 816	1883	2, 314, 650	1, 339, 861
1879	2, 283, 545	1, 251, 638	1884	2, 401, 105	1, 181, 828
1880	1, 886, 857	1, 676, 197	1885	2, 712, 990	1, 157, 603
1881	2, 241, 976	2, 185, 442	1886	2, 198, 269	1, 085, 470

TAXATION OF COFFEE IN BRAZIL.

To Brazil coffee is an important fiscal instrument and is subject to taxes, both imperial and local. There have been no taxes upon land, although many cabinets have urged the creation of a land tax of one-twentieth per cent. on property situated in the vicinity of railways open to traffic or of rivers which are actually navigable. Pressure of the public necessities (for since 1860 the treasury accounts of the Empire have shown a deficit at the end of each fiscal year) has compelled the state to utilize to their fullest capacity other sources of revenue, almost entirely indirect taxes on consumption. Of a total revenue of about 120,000,000,000 reis only about one-tenth is obtained from direct taxes; the balance is derived from duties of import and export, and even here the rates are put so high as to fall little short of prohibition. The value of the total exports of Brazil was in 1883 about 183,039,000,000 reis, on which import duties of about 32,346,129,000 reis was collected, or an average of about 17 per cent.; the export duty amounted to about 4 per cent. on the value of the total exports. This, however, represents only a part of the taxation—the share of the Empire; and as the export duties are not levied generally, they fall with peculiar weight upon the

few articles so taxed. Consul-General Armstrong gives the following sketch of the matter:

The national debt of Brazil is about eight times the average annual revenue of the country and about two and a half times the amount of its annual foreign trade.

Comparing Brazil with other countries and taking into consideration the circumstances that are peculiar to the former, we may estimate the production of the Empire at about double the amount of its average yearly foreign trade. If this estimate be correct, the public expenses consume about 20 per cent. of the production. Thirty years, as is shown by a similar calculation, they consumed only 10 per cent. In other words, in the last thirty years public expenses have increased twice as fast as production. The revenue of the country is principally derived from the following sources: Import duties, export duties, receipts of Government railroads, tax on transfer of property, stamp tax, tax on industries and professions, tax on house-rent; from these are derived over 90 per cent. of the revenue of the country. The import duties alone contribute more than one-half of this revenue.

Nominally these duties vary from 10 to 40 per cent. The custom-house also collects on imports a certain percentage on the amount of these duties. This percentage, when first established, was only 5 per cent.; but it has been gradually elevated to meet the demands of the state for greater revenue. The last alteration took place in 1882, when the percentage was elevated from 50 to 60 per cent.

The emancipation law of 1885 established a surtax of 5 per cent. on all taxes, except export duties, for the purpose of augmenting the emancipation fund. The import duties, then, with the addition of the percentage of 60 per cent. and the surtax of 5 per cent. nominally vary from 16.8 to 67.2 per cent. In many instances, however, these duties are really much heavier, as is the case, for example, with kerosene oil, which, as I stated in a previous report, pays 86 per cent., although nominally the duty is only 30 per cent. There are some other goods which pay 150 per cent. of their value.

Besides, there are other custom-house charges on goods introduced into the country, such as those for handling and storage, and a tax called "expediente," of 5 per cent. on some classes of goods nominally free from duty. The custom-house storage charges, which were elevated in 1882, are now as follows: If the merchandise does not remain in the custom-house more than one month, it pays one-half of 1 per cent. on the amount of duties; if it remains two months, it pays 1½ per cent. per month; if it remains four months or upwards, it pays 2 per cent. per month. In computing the charges a fraction of a month, even if it be one day, is considered a full month. The export duties are from 1 to 9 per cent. Exports pay, also, duties to the provincial governments, which, indeed, have even imposed import duties, thus raising questions which are still unsettled. In a future report I shall treat of provincial taxes, some of which seem very exorbitant, although the amount of revenue derived from them is not large. The aggregate annual revenue of Brazil amounts to only about $15,000,000 or $16,000,000. Coffee, which is the principal export from this port (its value being generally from 90 to 95 per cent. of that of the total exportation), pays 7 per cent. duty to the General Government and 4 per cent. to the provincial government at Rio de Janeiro.

Her Britannic Majesty's Consul Ricketts added the following details:

The coffee tax (an export duty of 4 per cent.) in 1884–'85 yielded a total of 1,389,928 milreis. It was levied in 1882–'83 at the rate of 15 reis per kilogram, this being equivalent to 4 per cent. on the price per kilogram fixed in the year 1880 (375 reis).

In the province of Rio de Janeiro this quota of 4 per cent. has been charged according to the variation of the price of coffee, sometimes having been as low as 15 reis per kilogram, when the price was 388 reis, and at others as high as 25 reis when it was 629 reis, but in Minas one fixed price and one fixed quota would appear to have been retained for some years; consequently, the prices rising, the advantage remained with the exporter. Lately, however, this has been altered, for in 1884–'85 this tax was collected on the basis of 17 reis the first quarter, 18 reis the second, 17 reis the third quarter, and 16 reis the fourth; average 17 reis, the prices having been taken at 408 and 401 reis. The Imperial tax on this is 7 per cent., so that the total tax is now 11 per cent.

As in Rio de Janeiro, so with Minas, coffee, being the chief production, forms the main source of its revenue; consequently a decrease in the coffee crop would be attended with a corresponding decline in the revenue. Be this as it may, this tax has been steadily on the increase in Minas since the year 1876–'77.—(B. F. O., No. 58.)

In 1877 the export duties on coffee at Bahia were: Imperial, 9 per cent., provincial 6 per cent., and 1 real per kilogram, with 3 per cent. additional (Commercial Relations, 1877, p. 124). In 1882 the Imperial

Government reduced the export duty on coffee from 9 to 7 per cent., but the provincial duties remained unchanged—4 per cent. in Rio de Janeiro and Santos, and as much as 7 per cent. in Bahia and Ceará.

[From the Nation.]

Before 1862 coffee was imported into the United States free, but the war tariff imposed a heavy duty. The Brazilian planter believed himself ruined, prices fell suddenly, and predictions were made freely that the planter would have the bulk of his crop thrown upon his hands, and must dispose of it at less than cost. These fears proved groundless. Owing to heavy purchases of the United States for supplying its troops with coffee, the consumption did not materially decline, and the market recovered its normal condition. In 1867, when the finances of Brazil were thrown into disorder by the war with Paraguay, and every available source of income was utilized, an export duty was levied upon all exports, coffee being the principal one. The rate of duty was fixed at 9 per cent. on the custom-house valuation, and in addition to this imperial tax the province in which the coffee was produced collected another tax varying from 4 to 7 per cent., the rate differing among the provinces. It is easily seen that fiscal necessity was the basis of these taxes. Brazil had no direct taxes; it still has no direct tax on land, though cabinet after cabinet has recommended such a tax, not only for revenue purposes, but to make unprofitable the holding immense tracts of land in an uncultivated condition. The whole prosperity and economy of the nation were based upon coffee, and to-day it is coffee that supports the provinces, the railroads, the Empire, and the great mass of the population. The point to be emphasized, however, is that Brazil imposed an export duty on coffee long before the United States seriously considered a reduction of the import duty.

These facts were well known in Congress when in 1871 the duty was reduced from 5 to 3 cents per pound. Mr. Partridge, then minister to Brazil, had reported: "It is safe to say that there is very little, in my opinion, no hope of inducing them (Brazil) to reduce the export duties" on coffee and rubber; and he sent an elaborate table of prices for two years, showing that the export duty amounted to about 13 per cent. on the value of the coffee. In 1873 the duty on coffee in this country was abolished, but under pressure of the financial crisis of that year, it was proposed to restore it to enable the Treasury to meet the requirements upon it. In the same year the Brazilian treasury showed a small surplus in the estimates, and an attempt was made to reduce the imperial export duty from 9 to 7 per cent., a move that was defeated by the legislature's voting to increase its own salaries. Is there any evidence that Brazil sought to secure advantage through the action of the United States?

But, it is said, the planters at once raised their prices, and so the American consumer derived no advantage from the reduction of duty, as though a seller, who does not possess a monopoly, can raise the price of his goods arbitrarily. It is true that prices did rise, and that they did rise by about the amount of duty, but it is a great mistake to assert that the rise was an immediate result of the repeal. The table of prices prepared by Mr. Partridge shows that the rise had begun in 1871, and that the average price in December, 1871, was quite as high as it was in the latter part of 1872. Coffee (Rio) that was worth 9 cents in January, 1871, had risen to 13¼ cents in December, to 14¼ cents in January, 1872, and to 14.7 cents in December, 1872. In 1869 the import value of coffee was 9.8 cents, under a duty of 5 cents per pound; in 1872, 10.9 cents, when the duty was 3 cents; and in 1873 14.4 cents, when the import was free. Of course the planters benefited by the rise, but through no action of their own. The fact that prices could be maintained in the face of such a reduction in duty only shows that the demand kept up with the supply; that the real equilibrium of the markets had not been altered. This is shown by the fact that Ceylon coffee, of which little is consumed in this country, also began to rise in 1870, and reached its highest point in 1874, at the time when Rio in New York had risen to 19.4 cents per pound, a rise so great that the duty removed becomes too insignificant a factor, and short crops and speculation must explain it. Rio on the London market passed through nearly the same fluctuations as in New York, yet there was no change of duties to affect the price.

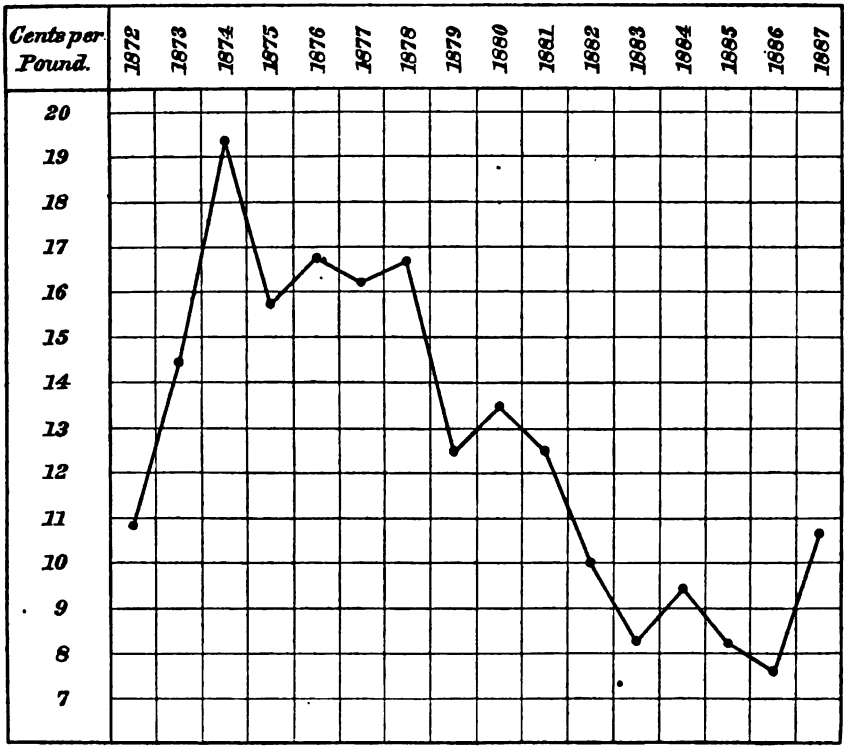
It must be remembered that in the same market there can be but one price for one commodity, and it would argue an absurdity to suppose that a French or English merchant could purchase coffee in Brazil at a price lower or higher than an American. Had the United States been the only market for Brazilian coffee, and had the relation of demand to supply remained the same, the removal of the duty would in the end have modified the price, and certainly in favor of the consumer. But both of these conditions were absent, and although imports increased rapidly (with a few fluctuations), they were not able to overpass the demand. Further, it was not until 1882 that the import value of coffee in New York fell to what it had been previous to

1872. To suppose that Brazil planters had been able to manipulate the market for twenty years in their interest and at the expense of the consumer is to disregard the most common maxims of trade.

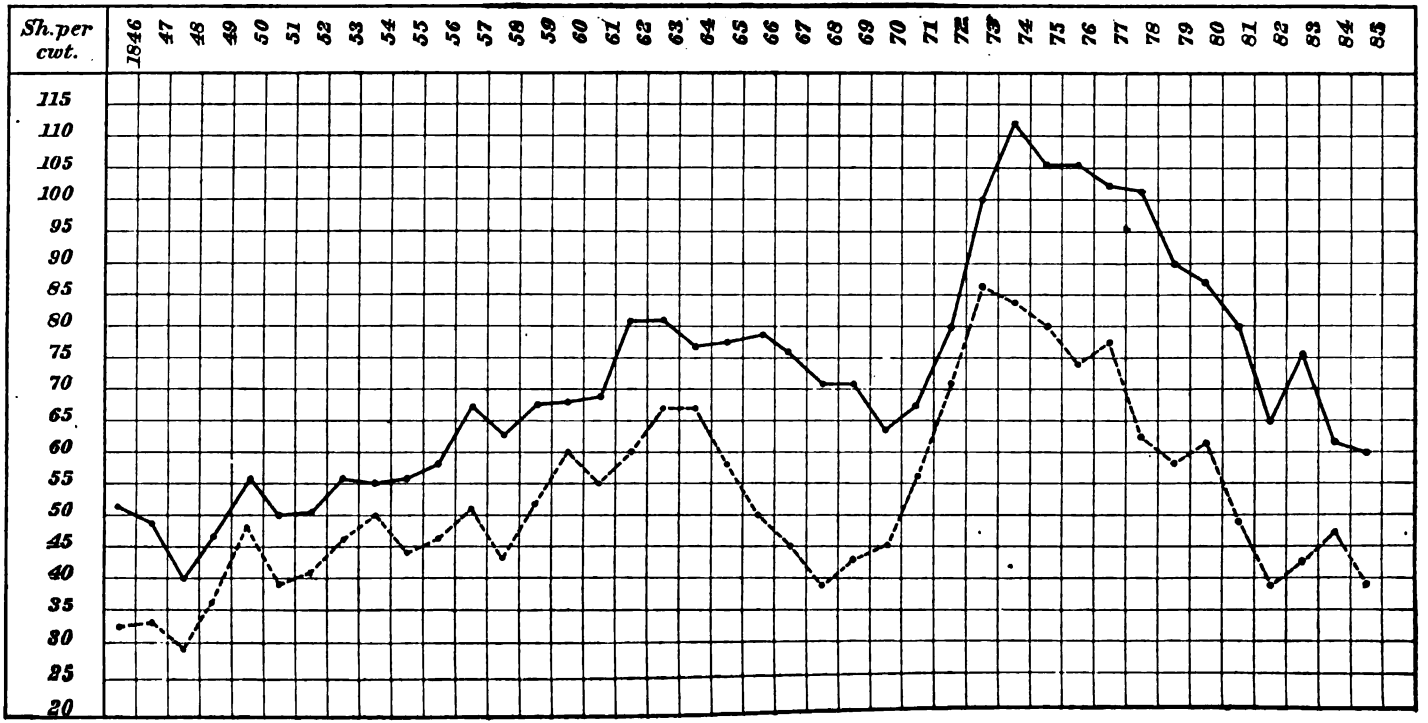
Under these circumstances it is absurd to attribute the condition of the market to a mere shuffling of duties, whether duties on imports or on exports. In 1882 Brazil reduced the export duty from 9 to 7 per cent., but the provincial duty remained unchanged. The prices were 12.5 cents in 1881, 10 cents in 1882, 8 cents in 1883, 7 cents in 1886, and 10.7 cents in 1887. Is the influence of the duty apparent? That the removal of the import duty by Congress was an advantage to the American consumer may be shown by the fact that he would otherwise have been compelled to pay the market price of the coffee and a duty besides.

Diagram showing the annual import value of coffee from 1872 *to* 1887.

[From Treasury Tables.]



Prices of coffee on the London market.



VENEZUELA.

Second in importance as a source of coffee for the American market stands Venezuela, which supplied in 1887 more than one-tenth of the wants of the United States.

Imports of coffee into the United States from Venezuela, 1873–'87.

[From Treasury tables.]

Year.	Pounds.	Year.	Pounds.	Year.	Pounds.
1873	30, 526, 720	1878	38, 623, 291	1883	47, 742, 466
1874	23, 860, 428	1879	29, 138, 035	1884	53, 363, 495
1875	25, 781, 256	1880	35, 518, 910	1885	53, 506, 130
1876	25, 187, 462	1881	42, 245, 176	1886	54, 260, 497
1877	35, 714, 191	1882	43, 369, 170	1887	59, 463, 487

In Venezuela the agricultural region lies in a central division, with Carácas and Valencia as centers, and La Guayra and Puerto Cabello for sea-ports, the district of the Lake of Valencia being one of the most productive in an agricultural sense in the whole Republic. The State of Zulia, of which Maracaibo is the capital, has a soil of "unexampled fertility. The chief importance of Maracaibo consists in the export and import commerce in transit with the eastern states of the neighboring Republic of Colombia." Consul Plumacher believes that 2,000,000 acres are capable of coffee cultivation in his district alone. In Tovar only 8,000 acres out of a possible 800,000 are under cultivation.

Quoting from M. Thiesé's able report, we take the following facts on coffee:

Coffee is the principal article of export from Venezuela, and constitutes the principal element of wealth of the country. Its quality is high, certainly the best in all America, and one of the best in the world. For a long time it figured in commerce as "Martinique coffee," and since our colony has ceased to produce coffee that of Venezuela has taken its place. Thus its production and exportation have, for thirty years, followed an ascending movement.

The coffees of Venezuela are of two classes: those from the cold lands (*terres froides*), as beautiful and as highly esteemed as those of the Ceylon plantations, and bringing the same price in the European markets; those from the warm lands (*terres chaudes*), somewhat inferior to the first named, and costing from 4 to 6 francs less per sack (46 kilograms).

In each of these classes there are two types: the *descerezados*, known in Europe as washed (*lavé*), green, or *grages*, and the *trillados*, or unwashed. There is, in addition, an inferior description, known here by the name of *passillas*, which is not exported. These names are determined by the methods of preparing and drying the berry, which influence considerably its quality. The first, stripped of its outer pulp and dried by methods and apparatus of great perfection, is of a superior quality, and always sell from one-fourth to one-third higher than the second.

The coffee crop begins in September in the warm lands and in November in the cold. In March or April following the campaign ends.

The most beautiful coffees are those that are shipped at Puerto Cabello and at La Guayra. Although derived from very different localities, they are generally known in Europe as La Guayra coffees. * * * The average prices in the last year were: 52 francs for *descerezados* and 32 francs for *trillados*.

This year a considerable rise was experienced. The prices of the new crop are from 18 to 22 piasters for the first, and from 14 to 15 for the second. There were even sales in the early part of the campaign at prices above 22 piasters.

In addition to the trade in Guayra coffee, Maracaibo exports largely inferior berries. Coming from the Cordil, ———, Merida, Truxillo, Cucuta, Bocono, they are sent entirely to the United States or to the Dutch island of Curaçao.*

* For the characteristics of these coffees refer to Consul Plumacher's report, post.

The culture of coffee is most simple. Once established, the plantations demand little care or labor. It can almost be said that the culture is confined to gathering the berry and preparing it for market. As a result new plantations are established in large numbers, and their produce is beginning to swell the exportation. As the extent of lands suited to this bush is unlimited, the production can increase indefinitely, especially if the price of selling remains profitable and the means of interior transport become easier and cheaper. In 1840 the exportation of coffee was only 11,959,716 kilograms; in 1883 it was 46,000,000 kilograms.

In 1876 the exports of coffee from Venezuela amounted to 35,721,130 kilograms, of a value of 11,720,809 venezolanos; in 1877, to 32,846,769 kilograms, having a value of 11,409,506 venezolanos; and in 1880, to 38,830,383 kilograms.

Statement showing exportations of coffee by destination from Venezuela for the six months ending December 31, 1877.

United States	$1,713,296.52
Germany	795,071.09
France	152,225.22
Great Britain and colonies	86,634.23
Spain and colonies	268.00
Italy	19,118.22
United States of Colombia	122,730.00
Dutch colonies	12,919.68
Total	2,902,262.96

The yield of coffee in Venezuela is computed to be above the average this year—rain having commenced as early as March, whilst during some years past none has fallen before May—and its cultivation is immensely on the increase. New plantations upon an extensive scale have been formed in districts which heretofore did not produce enough for their own consumption, and now produce enough for exportation as well, as is the case in some districts of the eastern State of Cumana.

One great drawback in the way of a yet further extension in the cultivation of what has become the chief staple of Venezuelan produce being, however, the scarcity of hands, and in some cases where the planting of new lands has been undertaken upon a scale disproportionate with the amount of labor procurable in the vicinity of them for the nurture of plants and gathering in of crops, and no proper account having been taken of a rate of wages necessarily on the increase, but scanty profits, or no profits at all, having been realized; still, remunerative prices are obtained in the generality of instances, and, as I learn, the average export of coffee from this country should amount to 32,846,769 kilograms, valued at 11,409,506 venezolanos (98 cents); the home consumption of coffee being calculated at 9,000,000 kilograms, valued at 3,000,420 venezolanos; the whole yield during the late financial yield being estimated at 41,846,769 kilograms, valued at 14,829,506 venezolanos (98 centos), the calculations to be taken as most correct, being those of weight, the value in money being more or less fluctuating.

On some plantations, especially in the hotter districts and on low lands, the leaves of the coffee plant show traces of the "iron stain" ("maucha de hierro"), to which disease is attributable the loss of the whole plantations in the West India Islands, according to the report published by Guerin, Neuerville, and Perolet; still some planters here are of opinion that in Venezuela the "iron stain" exercises no really injurious effect upon the plant, although others are of opinion that it gradually undermines its vitality, causing the berry to degenerate in quality; and Dr. Angel Alamo, a gentlemen of great experience in coffee growing, and who holds the latter opinion, is advocating the introduction into this country of seed or cuttings from Liberia, where, as indigenous to the soil, it appears that the plant attains a more robust growth, producing a larger and more aromatic berry, and where, as is affirmed here, it has never hitherto been attacked by any kind of disease.

* * * * * * *

The coffee crop of 1878-'79 is estimated at about 30,000 tons, or 650,000 to 700,000 quintals (100 pounds) from the three ports of La Guayra, Puerto Cabello, and Maracaibo. The quality was fair, and very good prices were made at the beginning, but they declined towards the end in consequence of the enormous crop of the Brazils. The coffee crop of 1879-'80, now in course of shipment, has been very large—not less than 40,000 tons, or 900,000 quintals. A good deal was lost in consequence of heavy rains throughout the year. The prices at the opening of the crop were fair, but have fallen to a rather low point since the heavy exports from Brazil have been known.—(Mr. Bunch, 1880.)

MARACAIBO.

The general results for the year 1880 in this branch of trade have been very unsatisfactory, and the entire year is simply a record of losses on the part of the merchants of this port instead of the customary profits. Until the middle of January last there was apparently no reason for any apprehensions regarding the state of the coffee market. Prices were then tolerably good, ranging from 15 to 18 pesetas per 100 pounds in this market (the peseta being equal to 3*s.* 2½*d.* in English money). Before the end of January, however, a fall of a marked character ensued in the price of coffee both in the markets of Europe and the United States, caused in a great measure by the unusually large Brazilian production, and although a slight rise afterwards took place, the merchants had become alarmed, and their fears were confirmed at the beginning of February, when telegrams were received from New York announcing the complete paralyzation of the coffee trade in that city.

During the month of March a slight improvement in the New York demand caused a small rise in prices here, and hopes were formed of a gradual return to the former prosperous conditions of the trade. Towards the end of the month, however, advices from Europe and the United States placed affairs on a still worse footing, and April began with a bad outlook of losses for the merchants of Maracaibo. By the beginning of May prices had fallen to from 12½ to 15 pesetas per 100 pounds, and continued steady at this figure until the middle of July, when a small increase in the sales at New York caused an advance of one-half peseta. This increase in the New York demand being confirmed by later advices, animation was restored to the market at this port and sales were resumed, though at the same prices ruling in foreign markets. This is a circumstance which frequently happens, causing great losses to the shippers here. Another circumstance occurred at this period to render commercial prospects at Maracaibo still more unfavorable. The silver in circulation has been to a very great extent coins of various foreign nations, and upon this money the merchants depended to pay the producers of the interior. Hitherto these coins had been received at their full value, but at the period above referred to a depreciation in their value took place, resulting in the gradual withdrawal from this market, causing finally great financial embarrassment through the scarcity of a circulating medium. Having to encounter this new dilemma, all commercial transactions became more and more difficult, and although in September more favorable notices were received from abroad, little or no business was transacted here. These favorable notices were soon succeeded by very discouraging advices from both Europe and the United States, and at the end of October prices had fallen at this port from 12½ to 14½ pesetas per 100 pounds. From that time until the end of the year prices steadily fell, until now coffee is quoted here at from 9½ to 11 pesetas per 100 pounds. Recent failures of large houses in New York, whose principal business was coffee, have contributed greatly to bring about this prostration of business, New York being the port receiving most of the coffee from Maracaibo.—(H. B. M. Vice Consul Plumacher, 1880.)

CIUDAD BOLIVAR.

In 1882 fourteen estates producing 2,760 bags of coffee are stated to have been in the State of Ciudad Bolivar.

Export duty on coffee 5 cents per kilogram, gross weight.

Exports of coffee, 1876–'79.

Year.	Shipped to—	Bags.	Pounds.
1876	New York	338	37,447
1877	New York	6,048	654,278
1878	New York	1,276	142,750
1879	New York	2,718	294,154

Exports of coffee, 1883–'84.

Shipped to—	1883.		1884.	
	Kilos.	*Bolivars.*	*Kilos.*	*Bolivars.*
Trinidad	73, 310	63, 676	41, 114	38, 070
New York	127, 598	115, 898	110, 166	101, 803
Germany	246, 180	226, 964	103, 623	85, 011
	447, 088	411, 538	254, 903	224, 884

Exports of coffee in 1885–'86.

Destination.	1885.		1886.	
	Quantity.	Value.	Quantity.	Value.
	Kilos.	*Bolivars.*	*Kilos.*	*Bolivars.*
Trinidad	25, 623	23, 051	16, 253	14, 158
New York	392, 378	351, 938	406, 521	374, 254
Hamburg	76, 337	66, 666. 28	66, 022	78, 778
Bordeaux	1, 029	895		
Cayenne	510	480	300	240
Total	495, 877	443, 030. 28	489, 096	440. 430

LA GUAYRA.

The exports of coffee from this port for the commercial year ended September 30, ultimo, amount to 216,949 sacks, a quantity exceeding by 31,707 sacks the amount exported for the year ended September 30, 1884. The growing crop is reported to be short, and owing to low prices it will be difficult to find labor to gather it. Some small lots are coming into market and full receipts can not be expected before March next. There is no stock in store.—(Consul Bird.)

Exports of coffee from the port of La Guayra for the commercial year ended September 30, 1885.

Exported to—	Coffee.	
	Quantity.	Value.
		Bolivars.
Havre and Paris	41, 691	5, 066, 429
Hamburg	46, 843	5, 808, 192
Bordeaux	35, 463	4, 250, 565
Various ports	6, 673	793, 755
New York	83, 148	10, 610, 892
Spain	546	67, 880
Option	2, 251	263, 228
England	334	37, 282
Total	216, 949	26, 898, 223

Coffee exports.

Year.	Bags.	Kilograms.
1874	145,750	.....
1875	168,411	.....
1876	180,172	9,500,758
1880	.....	11,064,122
		Pounds.
1882	.....	29,509,394

Coffee exports, 1876–'86.

Destination.	Year ending December 31—		Value.
	1876.	1886.	
	Bags.	*Pounds.*	
Germany	114,151	8,871,590	$865,072
France	55,634	3,670,917	369,122
England	3,506	1,264,232	123,145
Spain	157	.....	.....
Canary Islands	1,019	.....	.....
United States	5,662	10,338,965	1,001,769
Antilles	6	.....	.....
Italy	37	.....	.....
Other	.....	933,091	90,480
Total in 1885	.....	33,351,975	3,827,422
Total in 1886	.....	33,700,156	3,822,722

Statement showing the weight and value of coffee exported from the port of La Guayra to principal countries during the year ending September 30, 1880, as compiled from the publications of newspapers at La Guayra during that period.

	Weight.	Value.
	Pounds.	*Dollars.*
Germany	8,761,513	844,228
France	4,565,927	492,262
United States	753,993	160,744
Great Britain	1,096,560	126,214
Total	21,977,993	1,623,448

Maracaibo.

Year.	Quantity.	Value.
	Pounds.	
1882	31,627,051	$3,052,100
1883	29,943,788	3,119,676
1884	33,748,662	3,287,410
1885	28,059,530	.....
1886	35,994,200	.....

PUERTO CABELLO.

Exports of coffee, 1876–'82.

Countries.	1876.	1877.	1879.	1881.	1882.
Great Britain	586,905	494,860	2,215,199	138,376	340,303
Germany	8,377,944	6,220,160	4,893,387	7,326,815	5,800,363
United States	10,435,098	13,430,886	1,766,085	5,639,059	5,073,719
France	2,366,293	1,186,190	1,660,722	2,367,500	2,537,540
Spain	271,728	120,482	29,944	.....	12,000
Holland	101,263	30,934	64,269	7,611	7,108
Total	22,139,231	21,483,512	10,629,606	15,479,361	13,771,033

Exports of coffee in 1885–'86.

Destination.	1885.	1886.
	Kilos.	*Kilos.*
England	442,549	612,613
Germany	4,043,620	2,540,362
United States	5,326,335	6,073,365
France	1,577,281	1,846,389
Spain	22,904	.....
Holland and Dutch West Indies	1,506,594	1,185,078
West Indies	11,592	22,799
Republic of Colombia	34,219	.....
Total	12,965,094	12,280,606

CENTRAL AMERICAN STATES.

Imports of coffee into the United States from Central American States, 1873–'87.

[From Treasury tables.]

Year.	Pounds.	Year.	Pounds.	Year.	Pounds.
1873	11,225,484	1878	13,868,955	1883	24,715,028
1874	12,512,041	1879	11,463,136	1884	31,827,573
1875	11,932,157	1880	19,254,218	1885	36,811,072
1876	6,884,264	1881	15,858,327	1886*	29,867,736
1877	13,446,587	1882	22,449,112	1887	32,734,302

* Prior to 1886 the Treasury tables make no attempt to give the imports from each of the Central American States.

In 1886 and 1887 the following are the details:

	1886.	1887.
Costa Rica	4,750,594	7,211,833
Guatemala	13,341,119	15,045,848
Honduras	16,319	66,087
Nicaragua	1,398,331	2,996,760
San Salvador	10,361,373	6,313,774
Total	29,867,736	32,734,302

GUATEMALA.

Guatemala, Mexico, and the Republic of Colombia are almost of equal importance as coffee producers in the market of the United States, but it is evident from the import value there is a wide difference in the qualities of the coffee produced and in the estimation such difference shows. The average import value of all coffees imported in 1887 was 10.7 cents a pound; but that of Guatemalan coffee was as high as 13 cents, being exceeded only by the product of Mexico and the small quantity brought from the Netherlands, presumably some choice lots of special kinds, constituting less than 1 per cent. of the total supply.

Consul-General Hosmer reports that the exports of Guatemalan coffee in the six months ending June 30, 1887, were 41,661,789 pounds, the leading consumers being Germany and the United States, as follows:

	Pounds.
Germany	17,452,804
United States	13,014,941
England	7,125,001
France	4,069,043

He also believes there is much land that could be brought under coffee, but it will probably be controlled by the course of the market. The British consul wrote in 1884:

The bad coffee season of 1882 was followed in 1883 by an abundant crop. Allowing 50,000 quintals for home consumption, the harvest seems to have been about 450,000 quintals, or about 20,089 tons.

The greater part of the lands in the Republic suitable for coffee growing are now in full yield, and the supply of Guatemalan coffee has consequently almost reached its maximum. Many agriculturists, disheartened by the bad prices realized in 1882, and the failure of whole districts to bear good coffee, have turned their attention to other crops, chiefly sugar, indigo, and cinchona.—(March 25, 1884.)

On this point the Central and South American Commission said:

The chief product and greatest source of wealth in Guatemala is coffee. The greater part of the crop goes to Europe, where the shippers say there is a more active demand for the best quality than in the United States. Guatemalan coffee is usually sold in the market under the name of Mocha, as it resembles closely the genuine Arabian berry which is no longer produced in any quantity. The number of coffee plantations in Guatemala in 1884 was 5,431, with 60,301,213 trees. The annual export from 1871 to 1884 was as follows:

Year.	Pounds.	Year.	Pounds.
1871	11,322,900	1880	28,976,200
1872	13,913,700	1881	26,037,200
1873	15,050,600	1882	31,327,100
1874	16,158,300	1883	40,406,900
1879	25,201,600	1884	37,130,600

One of the principal coffee districts has suffered largely with the period under review (1877–'78) from exhaustion of the soil, and probable inadaptability of climate; but for every tree abandoned in this section 100 have taken its place in new and better lands. I have no doubt there have been 2,000,000 trees planted in the latter, and consequently the crop of 1880 and 1881 will exhibit a marked increase over any previous season. The Vera Paz, or Coban district, which has its outlet on the Atlantic, via Yzabal and Belize, has been specially sought after by a fairly large party of Germans and Americans, and is being industriously developed in its coffee-bearing qualities. The land and labor are cheaper than on the Pacific slope, but the yield per tree is very much less, being an average of 1 pound a tree, while the Pacific slope reaches 3 pounds and even 5 pounds in some specially favored localities.—(H. B. M. Acting Consul McNider, May, 1879.)

Exports of coffee.

Year.	Quantity.	Value.	Year.	Quantity.	Value.
	Pounds.			*Pounds.*	
1875	16, 357, 989	$2, 617, 278. 24	1879	25, 201, 685	$4, 032, 269. 00
1876	20, 740, 017	3, 318, 402. 72	1881	26, 037, 289	3, 124, 474. 00
1877		3, 358, 956. 16	1882	31, 327, 100	
1878	20, 935, 877	3, 349, 740. 32	1883	40, 406, 900	4, 848, 832. 68

Countries.	1879.	Countries.	1879.
	Pounds.		*Pounds.*
England	8, 006, 459	Belgium	639, 610
France	3, 260, 314	Italy	12, 408
Germany	4, 241, 700	South America	300, 110
United States	7, 064, 450	Spain	7, 415
Honduras	1, 669, 219		

Year.	From—	Pounds.
1881	San José	10, 599, 009
1881	Champerico	13, 736, 130
1881	Livingstone	1, 702, 750
1882	Izabal	1, 209, 122

MEXICO.

Imports of coffee into the United States from Mexico, 1873–'87.

[From Treasury tables.]

Year.	Pounds.	Year.	Pounds.	Year.	Pounds.
1873	2, 035, 540	1878	6, 337, 063	1883	8, 578, 532
1874	2, 930, 285	1879	8, 307, 040	1884	9, 975, 466
1875	2, 691, 889	1880	9, 81F, 525	1885	10, 041, 421
1876	3, 941, 229	1881	13, 911, 910	1886	15, 764, 902
1877	6, 789, 693	1882	17, 020, 669	1887	14, 567, 005

There is almost nothing to be said in regard to the cultivation of coffee in Mexico further than is said in the few reports made in reply to the Department's circular. The principal region of production and port of export is Vera Cruz, and the bulk of the crop is sent to the United States, the price being somewhat higher than Rio. All authorities agree that the present production can be increased to an almost unlimited degree, the chief wants being labor and capital, in which must be included the proper machinery for cleaning the product and means of communication with the interior regions of production. Carriage by mules (a load being about 4 quintals) is too costly and soon eats up the profit that existing prices of coffee would return to the grower.

In an elaborate report upon the agriculture of Mexico by Consul-General Sutton, based upon official estimates, the coffee product was placed at 7,691,808 kilograms (16,921,977 pounds), valued at $2,068,382. These figures were made up from the returns of the year ending June 30, 1883.

In seeking the districts in which coffee was a staple or important product, it will be seen that in none does it play a very prominent part:

Quantity and value of coffee product.

State.	Quantity.	Value.	State.	Quantity.	Value.
	*Pounds.**			*Pounds.**	
Vera Cruz	12,049,180	$1,470,000	Tabasco	483,606	$59,000
Colima	1,844,262	225,000	Morelos	426,320	52,000
Michoacan	991,803	121,000	Oaxaca	393,443	48,000
Chiapas	731,148	89,200	Guerrero	82,000	10,000

*Estimated at an average price of 12.2 cents per pound.

It is plain that these figures must be below the actual production, as nearly that quantity is exported to the United States alone.

[From a report of Mr. Jenner, of the British diplomatic service, dated May 26, 1886.]

The next agricultural product on the exportation list is coffee, of which, during the year 1884–'85, Mexico exported about £200,000 worth, as against upwards of £260,000 in 1883–'84. In the five years between 1879–'80 and 1883–'84, Mexico exported to the United States alone nearly 60,000,000 pounds of coffee, valued at somewhat less than £1,200,000. From the foregoing figures it appears that the United States are the chief consumers of Mexican coffee, which berry is one of the very few products which pay no customs duty on entering the Republic.* Uruapam, in Michoacan, produces coffee of the most delicious flavor, which took a prize at the United States Centennial Exhibition of 1876; many judges consider it equal to the best Mocha, Martinique, or Java coffees. Large tracts of land suitable for its cultivation remain untouched, and the existing plantations are not worked to half their productive capacity. In former days, the coffee of the "Villas" (Orizaba, Cordoba, and Jalapa, in the State of Vera Cruz) was considered the best, but it is now surpassed not only by the "Uruapam" but by the "Caracolillo" of Colima, a small berry much resembling in shape and color the finer kinds of Mocha berry, so much prized in the Turkish market.

The latest official statistics, those of Señor Don Emiliano Busto,† show that in 1878 the cultivation of coffee was confined to eight States, but since then it has been ascertained that many more possess land suitable to its production, amongst which I may mention Coahuila, where lands on the sunny side of the mountains are to be found admirably suited for the purpose, owing to their sunny and sheltered exposure.

One of the local official reports, upon which the aforesaid statistics are based, says: "Coffee is generally cultivated on a very small scale, in spite of the admirable results it gives. Three years after transplanting the plant is a suitable height, and bears fully one to one and one-half pounds of clean berries (State of Morelos)."

Another official, writing from the State of Tabasco, says that "if the Government were to give the unoccupied lands of that State free of cost on condition that coffee alone should be grown, the tax on production for one year would exceed the price of the land."

Mexican coffee is undoubtedly growing in estimation in foreign markets, but for want of the proper machinery it is not cleaned and sorted as it should be; so that, in spite of its excellent quality, it does not commad its price or find a ready sale.

The following report of M. Sempé, the French consul at Vera Cruz, is based upon an article in the Mexican Financier:

Although Mexico does not furnish the United States with as large a quantity of coffee as the great republics of Central America, its trade in this product ought to increase; and were it not for the need of labor which planters in every region of our

*During the same five years Mexico imported from the United States about 10,000,000 pounds of coffee, valued at upwards of £200,000. Some portion of this is known to have been Brazilian coffee, which found a market in the Northern States, owing to the cheapness of freights via New Orleans, and some Mexican coffee sent by the same route from Vera Cruz.

† Now assistant under secretary of the ministry of finance.

Republic experience, we would be in a position to submit to our readers far better results.

From 203,048 pounds, which comprised the export of Mexican coffee to the United States in 1869, the export has risen to 8,307,041 pounds in 1879, to 9,810,000 (in round figures) in the following year, 13,711,000 in 1881, 17,020,000 pounds in 1882 (a year of extraordinary business). In 1883 the exportation fell to 8,578,000 pounds, rose to 9,995,000 pounds in 1884, to 10,040,000 in 1885, and to 15,764,000 pounds in 1886.

The coffee crop of the world in 1886 was thus produced:

Rio	bags of 160 pounds..	4,250,000
Santos	do....	2,250,000
Bahia	do....	110,000
Java	do....	520,000
Padang	do....	300,000
Venezuela	do....	800,000
British India	do....	102,000
Costa Rica	do....	200,000
Porto Rico	do....	425,000
Hayti	do....	600,000
Africa, Colombia, Jamaica, and Manilla	do....	300,000
Guatemala	do....	120,000
Mexico	do....	100,000
Ceylon	do....	200,000
Total		10,277,000

The average wholesale price of Rio coffee was 9.01 *centiemes de piastre* per pound, the lowest price touched since 1852, when the average price fell to 8.84 cents a pound. The price of Mexican coffee has always maintained itself above that of Rio.

VERA CRUZ.

1883.—Of 5,117 quintals of coffee entering Vera Cruz during the month of August, 2,065 were classed as Cordoba and 3,052 as Sierra. There was exported during the month of August, more than 5,000 quintals, of which the greater part went to Cuba, and small lots to New York, Liverpool, and St. Nazaire. From January 1 to September 1 of the current year 123,388 quintals of native coffee came into Vera Cruz. (Report of M. Sempé, 1883.)

1886.—Coffee is cultivated in fifteen of the districts (cantons) of the state of Vera Cruz. "Cordoba is the first spot in Mexico where the cultivation of coffee has been commenced. * * * Coffee is one of the important products of the state of Vera Cruz, but the cost of production is as yet too great to enable it to compete with other coffees with any profit to the cultivator, the depreciation of silver having occasioned a great rise in the rates of exchange on Europe and the United States. Mexican coffee has been sent abroad only as a means of remitting funds, and when its price in foreign markets leads to the expectation, the sale will prove a better remittance than cash or the purchase of a bill. It is thus only by accident and through a peculiar combination of circumstances that Mexican coffee has become an article of export. Later, when silver shall have regained its former value, it is probable that the export of coffee will cease or become sensibly diminished. From July 1 to December 31, 1884, coffee to the value of 389,406 piasters was exported, the same amount being exported in 1886."

In 1885 the entries of native coffee at Vera Cruz were 132,050 quintals; in 1886, 128,852 quintals. (Sempé.)

The exports from Vera Cruz in 1885 were 6,406 tons, £207,535; in 1886, 7,362 tons, £258,691. (Consul Baker.) The export of 1886 was thus distributed:

England	£10,176
United States	212,744
Germany	9,377
France	8,640
Spain	2,103
Other countries	15,651

COSTA RICA.

1878.—Coffee crop of 1878 was small, amounting to only 18,065,206 pounds, as compared with 25,987,101 pounds of the previous year; but the high prices paid here have, to a certain extent, recompensed growers for the smallness of the crop. The average price for coffee in the port of Punta Arenas was $18 per quintal of 100 pounds, thus leaving little or no margin for profit to exporters. The total value of exports for the year amount to $3,409,454.53. The following table shows the various destinations and quantities of the coffee crop for the year 1877–'78, made up to the month of August last [1878]:

Table of coffee exported in the year 1878.

Destinations.	By steamer.	By sailing vessel.	Total.*
Great Britain	33,932	49,717	83,649
France	12,949	.....	12,949
Germany	4,028	.....	4,028
Spain	220	.....	220
California	32,751	.....	32,751
New York	2,741	.....	2,741
Colombia	629	104	733
Chili	834	.....	834
Peru	87	.....	87
Total	88,171	49,821	†137,992

* Sacks of 130 pounds. † Or 5,519.680 pounds.

The exports of coffee from Punta Arenas, with valuation, were as follows:

Year.	Pounds.	Price.	Value on board.
1875	23,434,851	17	3,983,924.67
1876	10,513,218	20	2,102,643.60
1877	24,295,772	20	4,859,154.40
1878	18,065,206	18	3,251,737.08

Coffee-growing continues chiefly to occupy the attention of agriculturists, but latterly with less success than heretofore, owing principally to a considerable change of the seasons. The present crop was expected to have been exceptionally large, but owing to a prolonged and very wet season it has suffered considerably. It will, nevertheless, be a very large crop, though of an inferior quality. Several experiments have been made with Liberian coffee, but with indifferent success, the climate in the interior being too cold for the plant. I am informed that it grows to greater perfection on the coast, but it has not yet been sown long enough for decided results to be ascertained.—(H. B. M. Consul, Meugens, 1879.)

1879.—The coffee crop of the last year was compa ratively a large one, the amount exported being 25,189,483 pounds; but owing to the exceptional wet season and bad state of the roads to the port at least one-third of the crop remained in the interior for shipment this year. The coffee thus kept over has no doubt suffered much depreciation in quality and value. The average price for coffee in Punta Arenas was $16, or £3 4*s.* per quintal of 100 pounds, which, in most cases, owing to the low prices obtained in Europe, left a loss to the shipper. The value of coffee exported is estimated at $4,030,317, the export duties on which (of 50 cents per 100 pounds) produced $125,947. * * * The remarks made in my last report that coffee-growing still continues to occupy the chief attention of agriculturists, but with less success than before, still hold good; the change of the seasons, bad roads, high wages (on account of the scarcity of laborers), and lower prices in the European markets all combine to make coffee-growing less remunerative than before; but it is hoped that as soon as the railway on the Atlantic side reaches within 25 miles of the capital it will facilitate exportation on the Atlantic side, and induce agriculturists to cultivate other produce as well, such as cocoa and rice, with a view to export, which would in time greatly increase the revenue, as also supply the country with necessary articles of food. The present coffee crop is smaller than was at first anticipated, and will perhaps not exceed 100,000 sacks, or, say, 12,500,000 pounds, but the quality generally is

good. There, however, remains to be exported the third of last year's crop, or, say, about 8,500,000 pounds, making in all 21,000,000 pounds as against 25,189,483 pounds last year.—(H. B. M., Consul Meugens, 1880.)

1880.—Coffee continues to be the chief product and export of the Republic. During the past year the amount exported was 10,386 tons, valued at £687,217, as against 11,245 tons, valued at £806,063 in 1878-'79. By the foregoing it will be observed that the export of 1879-'80 was somewhat lower than the previous one, which is explained by the general consequence of a small crop succeeding a large one, as was that of 1878-'79, one-third of which was lost for want of hands to pick it, and the constant rains which did serious damage to the fruit coupled with the bad roads, preventing the conveyance to the port. The estimated value is also proportionately smaller on account of the low prices ruling in the chief markets of Europe.—(H. B. M. Consul, Meugens, 1881.)

1881.—The coffee crop was smaller in quantity and lower in value than the two previous years, as will be seen by the following comparison:

Years.	Quantity.	Estimated Value.
	Tons.	
1880-'81	7,700	£448,446
1879-'80	10,386	687,217
1878-'79	11,245	806,063

The exports of coffee from Punta Arenas was as follows (year ending April 30, 1881):

	Pounds.
Via Panama	7,606,578
England	6,413,920
France	510
Germany	1,761
San Francisco	3,218,380
Central America	523
United States of Colombia	6,220
	17,247,892

Average price, 13 cents; value, $2,242,225.96.

Much attention is being now given by agriculturists to the cultivation of other articles of produce besides coffee, which has been so unremunerative in the past few years, notwithstanding that the expenses attending its export are not so great as previously, both land and sea freights being cheaper, and the export duty of 2*s.* per 100 pounds now taken off (March 5, 1882).

Exports of coffee, 1882 (*export duty of 2s. removed*).

	Punta Arenas.	Limon.
	Tons.	*Tons.*
England	8,267	.....
France	904	.....
Germany	1,370	170
Spain	32	.....
New York	418	.....
California	2,200	173
Colombia	68	.....
Chili	33	.....
Total	13,292	343
Value	£703,862	£17,664

And I give a comparison of the quantity and value of coffee, the chief product of the country, exported during the past six years, which may be of some interest:

Year.	Tons.	Value per ton.	Value on board.
		£. s. d.	
1882	13,635	51 10 5	£702,489
1881	7,700	58 4 0	448,446
1880	10,386	66 3 4	687,217
1879	11,245	71 13 8	806,063
1878	8,065	80 10 3	650,347
1877	10,846	89 12 0	971,831

By which it will be seen that, although the crop of 1882 was the largest exported, yet, owing to the yearly fall in prices of that article in the European markets, its proportionate value on board was about 43 per cent. less than that of 1877 (H. B. M. Consul Sharpe, 1883). In 1883 exports of coffee were 20,005,927 pounds, valued at $2,000,592.

Production of coffee in the Republic for the season commencing November, 1883, and ending April, 1884.

Province.	Number of estates.	Number of coffee trees.	Crop. Quintals (100 pounds.)	Value.
San José	2,460	9,783,867	200,336	$1,999,160
Alajuela	1,343	3,543,773	44,696	345,960
Cartago	930	2,823,706	43,293	412,930
Heredia	2,757	7,294,932	116,728	1,167,280
Total	7,490	23,446,278	405,053	3,925,330

Owing to competition, freights on coffee to Europe have been considerably reduced and are now quoted for crop being exported: Pacific mail and Royal mail, Hamburg-American, from Punta Arenas, £4 per ton, without primage; Royal mail, Atlas line, from Limon, £2 per ton, without primage, as against £4 10*s.* from Punta Arenas, without primage, and £2 10*s.*, with primage, from Limon last year. It is to be noted that the rate of freight on coffee from Punto Arenas via Panama and the Royal Mail steamships, in 1869, was £7 15*s.*, per ton, and 5 per cent. primage. It is difficult to say whether the cultivation of coffee, hitherto the staple product of the country, is on the increase or not, but I am inclined to think not, as having been so unremunerative to shippers during the past few years. * * * The present coffee crop, 1884–'85, will be very small. At present about one-half of the coffee crop is still exported by Punta Arenas, but as soon as the additional facilities required on the railroad are made there is little doubt that three-fourths of the whole shipping of the Republic will be done at Port Limon. (H. B. M. Consul Sharpe, 1885.)

In 1885 exports were 154,599 sacks, valued at £480,000. The coffee crop was short, as the following comparison shows:

	Sacks.	Weight.		Sacks.	Weight.
		Tons.			*Tons.*
1885	154,599	8,627	1883	160,050	8,931
1884	266,654	15,050	1882	244,340	13,635

Until the lands in the Reventazon Valley are opened up and other produce cultivated, the amount of exports will always depend more or less on the extent of the coffee crop, which hitherto has formed more than three-fourths of the country, and of which there is only a good crop every two or three years. (H. B. M. Consul Sharpe, 1886.)

[From Report South American Commission.]

The growth of coffee in the populous center of Costa Rica, being carried on by small holders, is as perfect and thorough as it is possible to be, the production per acre probably exceeding that of most any other region; and the advantage of small

farms is enlarged in this instance by the patient industry and the economical habits of the people. As already mentioned, this agricultural resource has been greatly crippled this year by a short crop, it being not over one-half the usual yield. Last year (1883) the crop was very heavy, but it brought a low price. The export for 1885 can not be given, as it is now being marketed for the season, but it will fall short of that of 1884. For that year it was in amount and destination as follows:

To England	$1,650,020
To the United States	820,030
To France	520,670
To Germany	380,222

A small amount was also sent to Spain, Colombia, Chili, and British Guiana.

These exports from January 1, 1884, to July 31, 1884, went from the port of Punta Arenas and Port Limon, as follows:

	Packages.	Weight.	Value.
		Pounds.	
Punta Arenas	170,115	21,434,490	$2,357,793.90
Port Limon	96,539	12,278,600	1,350,646.00

[From British consular reports.]

The amount of coffee exported in 1886 was 141,419 bags, weighing 8,070 tons, valued at £451,820, against 154,599 bags, weighing 8,627 tons, in 1885, valued at £480,000. The present crop, however, is calculated at about 200,000 bags, and, with the high prices now (February, 1887) ruling both here and in Europe, it is to be hoped that both estate holders and shippers will do well.

Coffee crop (exports).

Year.	Quantity.	Weight.	Year.	Quantity.	Weight.
	Sacks.	*Tons.*		*Sacks.*	*Tons.*
1885	154,599	8,627	1883	160,050	8,931
1884	266,634	15,050	1882	244,340	13,635

Coffee does not offer much inducement to agriculturists, in view of the low prices ranging for some time past in Europe and the constantly increasing supplies received from Brazil and other large coffee-producing countries. (March, 1886.)

NICARAGUA.

Exports.

	Quantity.	Value.		Quantity.	Value.
	Pounds.			*Pounds.*	
1884	7,238,425	$692,649.02	1882	7,328,376	$659,553.84
1883	5,457,930	516,846.62	1881	4,698,288	422,845.92

Distribution.

	1884.	1883.	1882.		1881.	
			Quantity.	Value.	Quantity.	Value.
			Pounds.		*Pounds.*	
United States	$226,705	$93,578	2,068,528	$186,167	725,947	$65,335
England	181,428	181,562	3,070,443	276,339	2,425,417	218,287
France	73,700	93,840	910,497	81,944	633,701	57,033
Germany	209,662	103,544	1,135,835	102,225	623,957	56,156
Italy			106,110	9,549	289,266	26,033
Colombia			17,405	1,566		
Chili			19,558	1,760		

Exports (biennial periods).

	Pounds.
1877 and 1878	3,611,990
1879 and 1880	8,057,469
1881 and 1882	12,026,664

Coffee has now become the most important export, and as the numerous plantations founded during the last seven years come into bearing, its production is likely to increase. * * * Greater care is now being bestowed on the preparation of the coffee for the market, and the advantages of color, regularity of size, and cleanliness are more generally appreciated. One drawback is, however, the scarcity of water in the coffee district. In the hills of the department of Granada and Managua, where the plantations are principally situated, water can not be reached at a depth of less than 500 feet, and in the absence of rivers the only means left to the planter is that of collecting water in artificial reservoirs during the rains. On some plantations such reservoirs have recently been constructed at no small expense, and with the water thus obtained the coffee is pulped and washed on the most approved Ceylon systems.

The inconvenience arising from the scarcity of labor is aggravated by the number of holidays sanctioned by the law. I am informed that there are at least thirty days (in addition to Sundays) in the year on which the laborers are allowed to absent themselves in defiance of their contracts. The sale of Government rum on these days must add considerably to this very important item in the national revenue, but the planters complain that the treasury gains at their expense. The prices realized in in 1882 for Nicaragua coffee in the London market were: "Ordinary sun-dried," 34*s.* to 45*s.* per cwt.; washed "plantation," 48*s.* to 78*s.* per cwt. (May 20, 1883.)

GRENADA.

Production of coffee outside of home consumption.

	Sacks.
1881	250
1882	1,904
1883	224

REPUBLIC OF COLOMBIA.

Imports of coffee into the United States from Republic of Colombia, 1873–'87.

Year.	Pounds.	Year.	Pounds.	Year.	Pounds.
1873	4,235,037	1878	5,931,709	1883	12,801,726
1874	5,901,238	1879	8,938,044	1884	8,817,733
1875	5,446,992	1880	12,687,423	1885	4,608,889
1876	3,809,251	1881	7,958,171	1886	6,374,667
1877	5,605,818	1882	6,966,008	1887	13,595,678

In the department of Chiriqui, in the interior of this State, coffee planting has been introduced by one or two enterprising persons with every prospect of the most gratifying results. As yet only a small portion of land has been cultivated with this valuable product. One gentleman planted 70,000 coffee trees three years ago, from which he will get his first crop in the ensuing year. The fine rich lands lying along the slopes of the mountain ranges in that portion of the State are most admirably adapted for coffee culture on an extended scale. The climate is cool and very healthy, and the land can be obtained for nothing.—(H. B. M. Consul Mallet, April, 1879.)

[From British consular reports.]

The value of coffee exported during the year 1880 was $3,000,000; in 1884 the value of that article shipped from Colombian ports was only $1,391,395.

CARTHAGENA.

Exports of coffee in 1886.

Destination.	Quantity.	Value.
	Kilos.	*Dollars.*
England	238,001	81,565
France	76,459	25,651
Germany	125,837	39,614
United States	1,182,698	358,860

Exports in 1882.

Destination.	Quantity.	Value.
	Kilos.	*Dollars.*
France	900	360
United States	24,264	4,356
Cuba	3,043	552

Coffee of a good quality is exported from the State of Antioquia, but it is "as yet only a small item, owing to the heavy charges for transport." (October, 1882.)

There was exported from the Isthmus of Panama in 1882 3,196 bags of coffee. The Panama Railroad conveyed in 1881 110,731 bags, and in 1882 358,075 bags, of coffee the product of Central and South America.

Statement showing the coffee of Central and South America conveyed over the Panama Railroad:

	Bags.
1877	233,131
1878	191,561
1879	351,070
1881	110,731
1882	358,075

ECUADOR.

In 1876 very little of the coffee of Ecuador reached Europe, being sent almost entirely into Peru and Chili; but in the following year nearly 6,000 quintals were sent to the principal coffee markets of Europe, and might have become at once a profitable trade but for the short crop of 1878, which gave only 1,156 quintals available for exportation, and that of a very inferior quality.

Exports of coffee.

	Quintals.
1871	4,082
1872	6,600
1873	7,652
1874	10,652

Year.	Price per quintal.	Quantity.	Value.
	Shillings.	*Quintals.*	
1875	65	10,955	£35.604
1876	70	7,856	26.496
1877	63	10,599	33.387
1878	65	1,156	3.758
1879	57	5,972	17.020
1880	41	16,597	40.174
1881	45	14,137	31.808
1882	40	11,747	23.494
1883	30	17,978	26.967
1884*	30	13,380	20.070
1885	30	18,500	27.750
1886	45	30,000	60.750

*Distribution in 1884: England, 1,178; France, 1,778; Germany, 1,929; United States, 2,291; other 6,204; total, 13,380 quintals.

Imports of coffee into the United States from British Guiana, Dutch Guiana, and British Honduras, 1873–'87.

[From Treasury Tables.]

Year.	British Guiana.	Dutch Guiana.*	British Honduras.†
	Pounds.	*Pounds.*	*Pounds.*
1873	203	.....	.....
1874	300	.....	.....
1875	.....	.....	.....
1876	7,461	.....	.....
1877	420	.....	.....
1878	365	.....	.....
1879	170	893	19,326
1880	170	20	478,749
1881	.....	403	728,476
1882	800	190	829,604
1883	.....	198	1,544,753
1884	.....	22,376	148,439
1885	.....	.....	15,496
1886	.....	.....	167,199
1887	36,000	128,138	115

* Prior to 1879 included in the exports from British West Indies.
† Prior to 1879 included in the exports from Dutch West Indies.

PERU.

CALLAO.

In 1876 the exports of coffee from Callao were valued at 7.029 sols, and were thus distributed: Chili, 6,022 sols; Bolivia, 802 sols; France, 95; Colombia, 64, and the United States, 46. As a sol was then worth about 62 cents it may be seen that the quantity was not large. In 1880 105 quintals of coffee occur among the exports from Mollendo, but it is not stated whether the product was of local growth.

WEST INDIES.

Imports of coffee into the United States from the West India Islands, 1873–'87.

[From Treasury Tables.]

Year.	Danish islands.	French islands.	British islands.*	Hayti.	Cuba.	Porto Rico.	San Domingo.	Dutch islands.†
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
1873	363	95	1,057,683	6,187,560	20,276	2,257,254	70	704,842
1874	39,729	2,817	3,157,548	4,752,330	359,172	6,433,044	31,864	2,314,683
1875	1,375	.....	3,433,250	9,545,410	325,232	1,167,336	13,713	3,295,401
1876	15,006	3,573	845,930	11,837,508	61,788	724,248	42,932	84,590
1877	.....	280	3,502,418	12,269,344	10,228	311,446	189,712	26,821
1878	6,870	.....	2,340,187	12,813,113	2,044	105,856	.....	44,939
1879	58,842	435	1,944,285	16,660,030	2,215	120,309	94,040	544,151
1880	239,902	780	1,569,828	22,659,285	29,538	2,937,083	150,709	1,204,343
1881	7,698	538	1,594,981	31,908,074	16,783	3,465,572	237,306	11,409,030
1882	500	206	2,888,508	22,527,950	24,827	2,187,716	.....	3,442,467
1883	1,825	1,553	6,167,730	17,944,600	1,550	[illegible],286	674	1,084,220
1884	.....	.....	5,205,957	16,285,183	15,191	217,827	.....	1,221,858
1885	.....	.....	3,896,698	19,034,988	11,660	4,864,188	44,387	322,620
1886	.....	100	2,917,248	16,023,221	850	2,929,175	155,255	398,387
1887	.....	15,225	4,551,959	5,745,198	107,798	81,292	.....	241,341

* The returns for the years 1873 to 1878, inclusive, are for the British islands and British Honduras.
† The returns for the years 1873 to 1878, inclusive, are for the Dutch islands and Dutch Guiana.

CUBA.

In 1876 there were 192 coffee plantations or "cafetales" on the island of Cuba, but it was not then an article of export, and large quantities were imported from Porto Rico. Only 17 arrobas sent to the United States figured in the table of exports from Havana for that year. Allowance must be made, however, for the effect of the revolution in the island, which seriously impaired its producing capacity and consequently its power of exporting and even of supplying the wants of its own population. For example, in 1868 the exports of sugar from the port of Santiago de Cuba were 47,000 hogsheads; in 1876 they had fallen to less than one-third that quantity, or 14,000 hogsheads. So the exports of coffee from the same port fell from 8,094,240 pounds in 1868 to 1,210,700 pounds in 1876.

"A few years ago," wrote H. B. M. Vice-Consul Carden in 1879, "a considerable amount of coffee was grown in the Vuelta Abajo district, but the higher profits obtained by the sugar planters induced almost every one to replace their coffee trees by cane, a change which in many cases has not proved as advantageous as anticipated." In 1878 the returns of trade at the port of Havana showed an importation of 116,490 quintals and in 1879 of 85,920 quintals of coffee, all from Porto Rico. From Santiago de Cuba the exports of coffee were 1,468,400 pounds in 1878, and 1879, 1,323,114 pounds, nearly all of which were shipped coastwise, not 50,000 pounds going to other countries. In 1879 the plantations of that particular district were reported to be "greatly neglected, and are now yielding small crops."

Some of the estate owners on the western side of the island, finding the cultivation of sugar leaves them a dead loss in the face of heavy duties and low prices, have turned their attention to coffee planting, for which the rich Cuban soil is well adapted; and instead of growing the comparatively valueless plantain tree to furnish the shade necessary for the coffee, they have planted the cocoa shrub, which is sufficiently high to shade the coffee and is at the same time a valuable crop in itself. Although as yet only a few of the planters have tried it, there are great hopes of the success of this new culture; and if it is not prematurely stifled by heavy taxes it may enable the ruined owners of sugar estates to again work their land to advantage.—(H. B. M. Vice-Consul-General Birch, Havana.)

He gives the imports of coffee into Havana in 1884 as 64,686 bags, valued at £101,880, and in 1885 as 68,694 bags, valued at £87,040.

The 20,000 bags decrease in the imports from Porto Rico and Mexico seem to indicate that this island is again taking advantage of the wonderful fertility of its soil and its suitableness for all kinds of tropical produce to supply the home demand for coffee; but prices ruled somewhat higher than those of 1885, the extremes being 48*s.* and 98*s.* per quintal (100 pounds), as against 50*s.* and 62*s.* in that year. Imports in 1886, 49,760 bags, valued at £179,136.

HAYTI.

The coffee tree was introduced into Hayti and at once proved adapted to produce well, the conditions of soil and climate being favorable to the culture. The season begins in November and continues until March, and constitutes the period of greatest activity on the island. The port of Petit Goave, with a population of 4,000 inhabitants only, is one of the best shipping places of the Republic of Hayti. The principal produce cultivated on the mountainous ground surrounding the harbor and extending inland is coffee, of which a quantity estimated at 10,000,000 pounds is the yearly crop.

Commerce, already suffering from the low rate at which coffee (the main article of export) sold, owing to the large unsold stocks held in European markets, was further checked by the heavy export duty of $3 per 100 pounds, levied by the Haytien Government, which left so small a margin for the cultivator to receive for his coffee that he was forced to economize and make only necessary purchases, in consequence of which the orders for goods to be imported were reduced, and only salt provisions and absolute requisites were commanded. (January, 1883.)

Exports from Jacmel in 1881 were 10,371,125 pounds; and in 1882 10,009,076 pounds.

[From British foreign office reports.]

By a law dated May 3, 1887, the export duty on coffee from Haytien ports on and after October 1, 1887, will be:

Per 100 pounds	$2.66⅔
20 per cent. surtax	.53⅓
10 per cent. additional	.26⅔
	3.46⅔

Exports in 1885, 74,046,371 pounds; and in 1886, 58,075,733 pounds.
Exports for 1886 were distributed by ports as follows:

	Pounds.
Port au Prince	12,170,951
Cape Haytien	10,110,096
Cayes	5,941,071
Jacmel	11,022,889
Gonaives	7,167,890
Jérémie	2,352,957
St. Marc	967,152
Petit Goâve	7,381,180
Port-de-Paix	432,448
Aquin	122,376
Miragoâne	397,723
	58,075,733

Exports of coffee from Jacmel, Hayti, 1879–'80.

	Pounds.
United States	5,693,557
France	3,633,173
Germany	1,300,076
Italy	144,404
England	5,310
Total	10,506,520

PORTO RICO.

About the year 1865 export duties were "temporarily" imposed on the leading articles of export from this island; but, proving very available sources of revenue, were continued. In 1876 the duty on exported coffee was 52 cents per 100 pounds, or more than double the tax imposed on sugar (20½ cents per 100 pounds). About 1870 there were reported to be sixty coffee estates under cultivation.

Exports from Porto Rico.

1874	quintals..	199,488
1875	do....	256,485
1876	do....	306,526
1877	do....	137,140
1878	do....	151,204
1882	tons..	7,082

Distribution, 1878.

	Quintals.
United States	34
Great Britain	5,472
France	5,908
Spain	16,771
Germany	4,279
Italy	15,406
Other countries	103,334
	151,204

SAN DOMINGO.

The cultivation of coffee is also in a promising condition in the Dominican country. Congenial soil and climate for it are found without difficulty in various places, but chiefly at present on the heights above Azua, overlooking the Bay of Ochoa, a deep inlet that divides into nearly equal parts the south coast of the island. Here a small coffee plantation was established in 1877 by President Gonzales on his patrimonial lands; it succeeded so well that others hastened to follow the example, not only in the neighborhood of Azua but also in different parts of the country. The little tree is tended and dressed with proper care, the berry is treated after the most approved process, and so rapidly has the cultivation extended that even now Dominican coffee appears in its own name on foreign markets, and is quoted, I have been told, on a par with that of Jamaica. The quantity exported is still comparatively small, but it increases with every season. Until 1878 coffee was imported into the country, for the Dominicans are a coffee-drinking people; and now it is the surplus left after the supply for home consumption that is sent out of the country. (September 14, 1881.)

[From British consular reports.]

Sixty-one thousand two hundred and twenty-five pounds of coffee were exported from the city of San Domingo in 1886; value not given.

1885	301,500
1884	136,434
1883 (202,155 to Italy, 50,245 to West Indies)	252,400
1882 (212,038 to Italy, 124,080 to United States, 46,580 to West Indies)	396,198

From Puerto Plata in 1885 there was exported 84,800 pounds, valued at £1,700; in 1884 18,390 pounds, valued at £300; and in 1882 96,750 pounds, valued at $7,500.

Exports from port of San Domingo.

	1876.	1879.	1880.	1881.	1882.	1883.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
Great Britain						
France	23,000	140,000				
Germany	5,000					
Italy	40,400	138,700	304,500	628,990	212,038	202,155
Spain	5,100	123,100	167,300	4,150	13,500	
United States	18,500	110,000	92,420	63,120	124,080	
West Indies	67,840	33,000	28,080	26,480	46,580	50,245
Total	159,040	544,860	592,300	722,740	396,198	252,400

JAMAICA.

Exports of coffee from Jamaica.

[From official returns.]

Year.	Quantity.	Value.	Year.	Quantity.	Value.
	Pounds.			*Pounds.*	
1868	7,855,488	£169,774	1878	9,572,714	£274,676
1869	5,501,887	129,984	1879	10,833,860	249,175
1870	9,671,504	237,990	1880	10,188,897	254,722
1871	5,611,245	150,301	1881	9,865,382	231,384
1872	9,510,739	253,358	1882	7,418,638	133,535
1873	7,199,144	214,055	1883	9,448,100	160,618
1874	10,351,570	338,165	1884	5,415,994	98,841
1875	7,136,327	219,092	1885	9,038,606	157,282
1876	8,707,552	270,066	1886	6,150,960	119,944
1877	9,532,887	270,960			

Coffee exported from British India and Ceylon.

[From official returns.]

Year.	British India.	Ceylon, plantation.	Ceylon, native.	Year.	British India.	Ceylon, plantation.	Ceylon, native.
	Pounds.	*Pounds.*	*Pounds.*		*Pounds.*	*Pounds.*	*Pounds.*
1868	29,633,200	78,488,900	22,259,000	1878	29,858,700	58,691,700	4,623,700
1869	42,668,500	79,256,900	12,764,300	1879	34,226,800	72,532,500	5,441,400
1870	32,215,200	92,150,600	13,252,400	1880	36,103,700	61,184,200	4,475,300
1871	30,193,500	77,545,400	17,039,600	1881	37,071,300	40,722,200	2,976,900
1872	50,729,600	58,243,200	14,062,300	1882	35,198,100	42,920,300	3,549,900
1873	37,588,700	83,026,100	12,207,700	1883	36,400,800	29,087,900	1,482,300
1874	36,713,200	63,598,300	9,702,000	1884	35,191,000	28,751,000	1,188,600
1875	31,287,400	81,340,100	11,520,500	1885	34,268,200	29,503,800	2,061,100
1876	37,349,900	58,658,000	8,058,500	1886	37,670,200	16,920,800	1,004,600
1877	30,415,800	89,653,400	8,228,100	1887*	37,495,100	.....	.....

* Subject to correction.

Quantities and values of coffee imported into, and exported from, and net imports into, the United States, and the estimated imports per capita of population, from 1862 *to* 1885, *inclusive.*

Year ending June 30—	Imports.		Exports.		Net imports.		Per capita of population.
	Pounds.	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*
1862	122,799,311	14,192,195	9,785,633	1,382,070	113,013,678	12,810,125	3.46
1863	80,461,614	10,395,860	5,652,846	1,081,462	74,808,768	9,314,398	2.24
1864	131,622,782	16,221,586	3,778,296	871,620	127,844,486	15,449,966	3.76
1865	106,463,062	11,241,706	22,147,017	5,716,053	84,316,045	5,525,653	2.43
1866	181,413,192	20,531,764	5,618,309	901,837	175,794,883	19,629,927	4.96
1867	187,236,580	20,696,259	5,964,592	881,128	181,271,988	19,815,131	5.01
1868	248,923,900	25,288,451	7,900,980	845,705	241,082,920	24,442,746	6.52
1869	254,160,993	24,531,743	10,765,395	1,020,231	243,395,598	23,511,512	6.45
1870	235,256,574	24,234,879	4,083,000	410,836	231,173,574	23,824,043	6.00
1871	317,992,048	30,992,869	5,257,012	498,560	312,735,036	30,494,309	7.91
1872	298,805,946	37,942,225	3,467,462	408,674	295,338,484	37,533,551	7.28
1873	293,297,271	44,109,671	6,851,027	1,143,076	286,446,244	42,966,595	6.87
1874	285,171,512	55,048,907	3,285,636	705,860	281,885,876	54,343,107	6.59
1875	317,970,665	50,591,488	6,834,014	1,280,154	311,136,651	49,311,334	7.08
1876	339,789,246	56,788,997	8,884,457	1,625,932	330,904,789	55,163,065	7.33
1877	331,639,723	53,634,991	9,890,715	1,567,058	321,749,008	52,067,933	6.94
1878	300,882,540	51,914,605	12,821,426	2,086,366	287,061,114	49,828,239	6.24
1879	377,848,473	47,356,819	15,092,846	2,311,568	362,755,627	45,045,251	7.42
1880	446,850,727	60,360,769	6,721,889	944,573	440,128,838	59,416,196	8.78
1881	455,189,534	56,784,391	31,913,062	4,395,558	423,276,472	52,388,833	8.23
1882	459,922,768	46,041,609	24,343,479	3,220,582	435,579,289	42,815,027	8.25
1883	515,878,515	42,060,513	37,376,390	3,895,262	478,502,125	38,155,251	8.83
1884	534,785,542	49,686,705	26,152,679	2,731,311	508,632,863	46,955,394	9.16
1885	572,599,552	46,723,318	33,335,196	3,334,048	539,264,356	42,389,270	9.45

NOTE.—The population for census years, 1870 and 1880, is by enumeration; for other years from the estimates of Prof. E. B. Elliott, Government Actuary.

FRANCE.

Imports of coffee.

Year.	General commerce.		Special commerce.	
	Quantity.	Value.	Quantity.	Value.
	Kilos.	*Francs.*	*Kilos.*	*Francs.*
1872	41,464,000	78,000,000	16,708,000	31,400,000
1873	77,895,000	164,000,000	44,834,000	99,500,000
1874	64,838,000	147,800,000	38,709,000	88,300,000
1875	91,209,000	199,700,000	48,013,000	105,100,000
1876	86,597,000	174,900,000	53,487,000	108,000,000
1877	74,178,000	153,500,000	47,811,000	99,000,000
1878	87,416,000	163,500,000	54,105,000	101,200,000
1879	100,327,000	178,600,000	56,826,000	101,100,000
1880	90,165,000	152,400,000	57,733,000	97,600,000
1881	135,344,000	204,400,000	64,696,000	97,700,000
1882	109,530,000	146,800,000	63,839,000	85,500,000
1883	140,899,000	195,800,000	68,252,000	94,900,000
1884	115,402,000	140,800,000	67,914,000	82,900,000
1884	132,945,000	155,500,000	68,369,060	80,000,000
1885	166,183,000	160,300,000	68,323,000	103,200,000

Custom-house value of coffee imported into France.

Year.	Value per kilogram.	Year.	Value per kilogram.
	Francs.		*Francs.*
1869	1.45	1879	1.78
1872	1.88	1880	1.69
1873	2.22	1881	1.51
1874	2.28	1882	1.34
1875	2.19	1883	1.39
1876	2.02	1884	1.22
1877	2.07	1885	1.17
1878	1.87	1886	1.51

Sources from which France obtains coffee.

Year.	New Grenada.	Venezuela.	Brazil.	Ecuador.	English colonies in America.
	Kilos.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
1880	4,100,000	9,000,000	25,100,000	.....	300,000
1881	4,800,000	8,800,000	25,700,000	100,000	200,000
1882	4,900,000	8,000,000	21,100,000	.....	200,000
1883	4,000,000	10,500,000	25,400,000	.....	300,000
1884	4,600,000	8,600,000	18,500,000	100,000	200,000
1885	3,700,000	8,700,000	18,900,000	100,000	200,000
1886	4,200,000	10,800,000	24,900,000	100,000	300,000

Year.	Spanish colonies in America.	French Indies.	Reunion.	Martinique.	Guadeloupe.
	Kilos.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
1880	3,200,000	45,000	653,000	.....	427,000
1881	3,300,000	24,000	693,000	.....	522,000
1882	4,300,000	22,000	695,000	31,000	676,000
1883	3,400,000	20,000	881,000	.....	848,000
1884	2,600,000	38,000	583,000	.....	441,000
1885	3,100,000	67,000	586,000	.....	579,000
1886	5,100,000	337,000	482,000	.....	576,000

Sources from which France obtains coffee—Continued.

Year.	Egypt.	West coast of Africa.	French Africa.	English islands.	Mexico.	Guatemala.
	Kilos.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
1880	2,000,000	.....	1,952,400	8,800,000	800,000	300,000
1881	1,800,000	.....	1,438,700	8,100,000	600,000	400,000
1882	1,200,000	.....	993,300	6,800,000	400,000	200,000
1883	1,400,000	.....	1,387,400	7,200,000	400,000	500,000
1884	800,000	200,000	1,715,200	6,500,000	300,000	400,000
1885	900,000	100,000	1,809,900	6,500,000	200,000	400,000
1886	700,000	.....	2,212,400	8,900,000	700,000	500,000

*In full.

Tariff duties on coffee, per hundred weight.

	Raw.	Roasted.		Raw.	Roasted.
India, British	Free.		Canada	Free.	14*s.*
Straits Settlements	Free.		Newfoundland	23*s.* 4*d.*	*32*s.* 8*d.*
Ceylon	Free.		Bermuda	5 per cent. ad valorem.	
Mauritius	4*s.* 7$\frac{1}{10}$ *d.*		Honduras	9*s.* 4*d.*	
Labuan	Free.		West Indies:		
Hong-Kong	Free.		Bahamas	8*s.* 11$\frac{1}{2}$*d.*	
Australasia:			Turk's Island	Free.	
New South Wales	£1 8*s.*	£2 16*s.*	Jamaica	12$\frac{1}{2}$ per cent.	
Victoria	£1 8*s.*		St. Lucia	9*s.* 4*d.*	
South Australia	£1 8*s.*	£1 17*s.* 4*d.*	St. Vincent	5*s.* 7$\frac{1}{2}$*d.*	
Western Australia	18*s.* 8*d.*	28*s.*	Barbadoes	2*s.* 9$\frac{1}{2}$*d.*	
Tasmania	£1 8*s.*	£1 17*s.* 4*d.*	Grenada	9*s.* 4*d.*	
New Zealand	£1 8*s.*	£2 6*s.* 8*d.*	Tobago	14*s.*	
Queensland	£1 17*s.* 4*d.*	£2 16*s.*	Virgin Islands	7$\frac{1}{2}$ per cent. ad valorem.	
Fiji	£1 8*s.*		St. Christopher	5*s.* 7$\frac{1}{2}$*d.*	
Falkland Islands	Free.		Nevis	5*s.* 7$\frac{1}{2}$*d.*	
Natal	4*s.* 8*d.*		Antigua	9*s.* 4*d.*	
Cape of Good Hope	18*s.* 8*d.*		Montserrat	11*s.* 2$\frac{1}{2}$*d.*	
St. Helena	Free.		Dominica	10 per cent. ad valorem.	
Lagos	4 per cent. ad valorem.		Trinidad	Free.	
Gold Coast	Free.		British Guiana	7*s.*	
Sierra Leone	Free.		Gibraltar	Free.	
Gambia	Free.		Malta	Free.	

*Roasted or ground.

HOLLAND.

THE COFFEE TRADE IN HOLLAND IN 1886.

[From Consul Eckstein's Annual Report.]

Few articles of commerce proved during the year 1886 so profitable and generally satisfactory to the trade of this country as did coffee.

The rather sudden and almost unprecedentedly great rise in the price of the article, which was not and could not well be foreseen, during the first half of the year, and which set in in the second semester, found this market well stocked with coffee, consisting, however, in great part of fancy sorts (so called by the trade), which were less affected by the advance in the price.

Thus it came that the Dutch market, whilst realizing handsomely by the year's transactions, was not, it is said, benefited thereby to the same extent as were Havre, Hamburg, and other markets.

The course and rise in the prices which brought about such favorable results were from 24$\frac{1}{2}$ to 25$\frac{1}{2}$ cents, Dutch currency, for good ordinary

Java (the generally-accepted basis in determining the value of coffee in Holland), per half kilogram, up to the month of June, in which month it brought, at an auction sale, as much as 27½ cents, purchases being looked upon as venturesome. Three months later the same goods were on all sides bought up at 34⅛ to 35 cents. A little reaction followed this agitated state of the market in October, when the price receded to 32 cents, whereafter a steady upward tendency characterized transactions, until in December it had reached 41 cents.

During the usual period of inactivity about the holidays the value of the goods at about the end of December was quoted at 39½ cents, the market closing at 40 cents at the end of the year with a lively demand and favorable prospects for the beginning of the new year.

Stock on hand at end of December, 1886, 1885, *and* 1884.

Stock.	1886.		1885.		1884.	
	Bags.	*Cases.*	*Bags.*	*Cases.*	*Bags.*	*Cases.*
Stock represented by "cedules" or warrants in circulation	270,683	628	287,832	440	334,549	1,111
Unsold stock in hands of Netherland Trading Company	151,000	279	445,600	1,059	427,500	811
Stock of East India coffee in hands of private parties	79,500	.....	118,200	28	154,200	.....
Stock of West India coffee in hands of private parties	700	.....	6,300	.....	1,300	.....
Total	501,883	907	857,932	1,527	917,549	1,422

Sailing from East India end of December, 1886, 1885, *and* 1884.

For—	1886.	1885.	1884.
	Bags.	*Bags.*	*Bags.*
Netherland Trading Company	167,000	43,700	355,200
Private parties	26,100	29,400	36,300
Total	193,100	73,100	391,500

Deliveries from January 1 *to December* 31, 1886, 1885, *and* 1884.

By—	1886.		1885.		1884.	
	Bags.	*Cases.*	*Bags.*	*Cases.*	*Bags.*	*Cases.*
Netherland Trading Company	780,685	4,354	916,783	5,361	828,306	6,870
Private parties, first hand	399,700	361	447,700	529	428,800	.....
Total	1,180,385	4,715	1,364,483	5,890	1,257,106	6,870

The sales at auction by the Netherland Trading Company (Government agents) amounted, during the year ending December 31, 1886, to 760,223 bags and 4,542 cases, as against 862,753 bags and 4,696 cases in 1885 and 932,183 bags and 7,806 cases in 1884.

The stock on hand by private parties (first hand) at Amsterdam and Rotterdam at the end of December, 1886, consisted of: Java, 62,668 bags; Padang, 300 bags; Macassar, 16,542 bags; Santos, 670 bags; total, 80,180 bags, as against end of December, 1885, 124,530 bags, and 155,501 bags in 1884.

Consumption of coffee in the several countries during the first eleven months of the years 1886, 1885, and 1884.

Countries.	1886.	1885.	1884.
	Tons.	*Tons.*	*Tons.*
Germany	113,643	110,778	101,773
France	61,821	62,355	61,211
Austria-Hungary	33,856	34,173	32,326
Great Britain	13,425	13,897	13,684
Belgium	24,567	24,339	17,928
Switzerland	9,020	7,430	7,619
United States	214,630	211,617	195,373
Total	470,962	464,589	429,914

Stock of coffee on hand in the principal markets of Europe on the 31st of December of the years 1886, 1885, and 1884.

Countries and places.	1886.	1885.	1884.
	Tons.	*Tons.*	*Tons.*
Netherlands	30,150	51,550	55,200
England	14,400	17,050	21,150
Hamburg	16,500	19,000	18,500
Antwerp	7,200	11,250	9,000
Havre	44,450	72,950	58,950
Bordeaux	2,500	5,700	6,200
Marseilles	2,150	5,200	4,550
Trieste	6,500	8,000	10,850
Total	123,850	190,700	184,400

The purchases of coffee in this market (Amsterdam) for or on American account, and exports of the same from this consular district to the United States, fell off very greatly since the higher prices for the article set in; the value of the shipments being represented by the amount of $497,302.93, from January 1 to June 30, whereas only $338,047.08 worth were shipped from July 1 to December 31.

In all, the value of the exports from here to the United States during the year 1886 foot up $835,350.01, the same having been represented by the sums of $682,570.19 in 1885 and $427,527.78 in 1884.

The fact that several American coffee-importing houses have sent and established their own representatives here to attend the sales and make purchases and shipments, does not appear to be viewed with entire equanimity by some of the commission firms in the article at Amsterdam. They seem to consider it to be quite in the natural course of business affairs for houses which buy regularly, or frequently and largely, to have their own men here looking after their interests, but others, such as draw but casually supplies from this market, and then not in very great quantities, would, according to their say-so, do far better to intrust their orders to some reliable and well-known commission house here. All this, however, is, strictly speaking, "none of my business," and therefore I leave it to be considered and judged by those whom it concerns.

The markets of this country have, during the year covered by this report, proved themselves to be good and available for Americans in the coffee trade to sell in as well as to buy in. At any rate, if I am correctly informed, as I believe to be the case, there were considerable quantities of Macassar coffee brought from New York during the latter half of last year and disposed of at good and remunerative prices. Several consignments of Bintenzorgsche coffees, purchased by Ameri-

cans in and shipped from Java, also came here, and were sold at good advantage to the owners.

In contemplated future undertakings of this description our coffee merchants and speculators in the article must not overlook the important circumstance that an upward movement or increase in the price of coffee, amounting to about 60 per cent., within about six months' time, as happened last year (June–December), is an occurrence quite out of the common, and almost unknown in the history of the coffee trade.

Another apparently noteworthy fact relating to the increasing exports from here to the United States, is that purchases and shipments are being no longer confined to just a few well-known and long-favored sorts of coffee, but that others of generally acknowledged good quality, such as "Sagal," "Solo," and large-bean "Pangool," are now also being freely exported to our markets.

The crop of 1885–'86 was considered a very good one for Java planters, excepting those of Middle Java and Preanger, amounting in quantity to about 300,000 bags, while the Government plantations yielded about 810,000 bags.

Reports from Java speak of the "leaf disease" as having greatly abated. But the crop prospects for 1887 are, on all hands, so far as Java is concerned, represented to be exceedingly gloomy. It is said that the heavy early rains have greatly damaged all second blossoms, and destroyed to a great extent the on-coming or young fruit of the first blossoms.

Trade in coffee.

Country.		1876.	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.	1885.
Austria-Hungary—imports	pounds	71, 944, 840	74, 475, 720	87, 788, 800	42, 479, 140	69, 501, 520	85, 345, 700	83, 203, 340	74, 035, 060	78, 051, 380	81, 083, 417
	dollars	$14, 703, 401	$15, 220, 099	$15, 278, 133	$7, 003, 334	$11, 481, 813	$12, 616, 186	12, 696, 026	11, 193, 915	10, 449, 092	10, 249, 047
Belgium—imports	pounds	58, 240, 600	44, 849, 200	50, 773, 800	54, 916, 400	50, 061, 000	56, 900, 800	62, 053, 200	62, 715, 400	44, 360, 000	57, 806, 280
	dollars	11, 872, 588	9, 425, 155	9, 291, 509	8, 703, 721	8, 747, 339	8, 414, 028	7, 394, 795	7, 250, 238	5, 413, 264	6, 015, 038
France—imports	tons	117, 671, 400	105, 184, 200	119, 631, 000	125, 020, 200	127, 012, 000	142, 331, 200	140, 445, 800	150, 154, 400	149, 410, 800	150, 411, 800
	dollars	20, 844, 000	19, 107, 000	19, 531, 000	19, 512, 300	18, 836, 800	18, 856, 100	16, 501, 500	18, 315, 700	15, 999, 700	15, 440, 000
Germany—imports	pounds	234, 080, 000	210, 760, 000	212, 190, 440	245, 300, 000	218, 240, 000	229, 020, 000	235, 620, 000	251, 640, 000	244, 420, 000	260, 476, 650
	dollars	45, 696, 000	40, 936, 000	40. 222. 000	45, 220, 000	35, 879, 690	32, 225, 200	27, 534, 934	32, 607, 904	29, 088, 122	26, 710, 264
Holland—imports	pounds	236, 968, 800	243, 383, 800	205, 623, 000	211, 057, 000	212, 482, 600	209, 006, 800	211, 862, 000	283, 687, 800	229, 391, 800	225, 988, 245
	dollars	19, 953, 596	19, 568, 154	16, 532, 250	16, 698, 822	17, 083, 794	16, 643, 202	16, 993, 544	22, 808, 274	18, 442, 956	18, 128, 190
Italy—imports	pounds	32, 720, 600	26, 884, 000	27, 933, 400	34, 089, 000	23, 478, 400	31, 103, 600	31, 002, 000	33, 750, 200	35, 824, 800	52, 029, 180
	dollars	6, 318, 753	5, 660, 467	5, 268, 514	6, 429, 602	4, 428, 771	5, 190, 559	4, 623, 122	5, 034, 105	5, 028, 422	6, 831, 042
Norway—imports	pounds	15, 895, 000	16, 273, 400	13, 422, 200	15, 884, 000	15, 767, 400	16, 726, 600	15, 384, 600	17, 586, 800	16, 218, 400	17, 441, 580
	dollars	3, 090, 576	3, 370, 100	2, 321. 684	2, 519, 664	2, 862, 420	2, 139, 444	1, 686, 792	1, 9:8, 260	1, 807, 928	1, 736, 248
Russia in Europe—imports	pounds	18, 021, 204	10, 333, 368	16, 102, 116	17, 008, 128	18, 001, 224	15, 279, 516	18, 319, 572	13, 932, 000	18, 216, 000	16, 930, 000
	dollars	4, 122, 878	2, 356, 874	4, 187, 470	5, 116, 380	4, 769, 301	4, 018, 386	4, 497, 408	4, 251, 650	5, 559, 255	4, 719, 120
Sweden—imports	pounds	24, 877, 600	23, 790, 800	23, 304, 600	22, 664, 400	24, 282, 000	27, 152, 400	34, 172, 600	31, 238, 400	31, 176, 075	.....
	dollars	4, 990, 160	4, 430, 844	4, 007, 136	3, 767, 008	3, 850, 356	3, 109, 068	2, 663, 752	3, 196, 168	3, 561, 988	.....
United Kingdom—imports	pounds	152, 503, 904	180, 125, 344	142, 203, 824	180, 551, 232	173, 202, 512	137, 648, 336	152, 777, 408	157, 599, 008	127, 417, 360	115, 870, 944
	dollars	30, 996, 199	37, 756, 990	28, 763, 672	35, 409, 286	29, 578, 509	23, 140, 253	25, 279, 465	23, 991, 220	18, 227, 031	11, 644, 560
British Honduras—imports	pounds	46, 779	44, 050	113, 097	.....	.....	.....	.....	.....	.....	.....
	dollars	5, 832	5, 346	13, 608	61, 236	30, 618	18, 468	.....	.....	.....	.....
British West Indies—exports	pounds	8, 707, 552	9, 532, 887	9, 572, 914	10, 833, 860	10, 188, 894	9, 365, 382	7, 418, 848	9, 448, 100	5, 415, 994	9, 033, 606
	dollars	1, 312, 086	1, 312, 686	1, 332, 612	1, 211, 112	1, 237, 842	1, 124, 604	648, 810	780, 516	480, 108	764, 478
Ceylon—exports:											
Plantation	pounds	65, 696, 693	100, 411, 805	65, 734, 704	81, 237, 520	68, 526, 304	45, 608, 869	48, 070, 736	32, 578, 448	32, 201, 120	33. 044, 256
	dollars	14, 164, 956	21, 241, 1'6	14, 708, 818	17, 515, 440	14, 495, 922	9, 277, 254	7, 822, 170	5, 963, 706	5, 240, 052	5, 377, 104
Native	pounds	9, 025, 520	9, 216, 472	5, 238, 244	6, 094, 368	5, 012, 336	3, 334, 128	3, 975, 888	1, 660, 176	1, 331, 232	2, 308, 432
	dollars	1, 468, 692	1, 537, 218	800, 442	842, 724	693, 036	461, 214	371, 799	202, 662	135, 594	234, 738
British India—exports	pounds	41, 776, 000	34, 048, 000	33, 488, 000	38, 304, 000	40, 432, 000	41, 552, 000	39, 424, 000	40. 880, 000	39, 313, 120	38, 380, 384
	dollars	7, 936, 380	6 575, 580	6, 531, 840	7, 523, 280	7, 936, 380	8, 227, 980	7, 144, 200	6, 896, 540	7, 144, 200	6, 259, 194
Straits Settlements—imports	pounds	5, 473, 440	6, 665, 232	5, 131, 392	7, 647, 920	5, 021, 112	7, 134, 144	.....	.....	.....	.....
	dollars	844, 553	1, 003, 477	628, 632	983, 586	608, 923	612, 141	.....	.....	.....	.....
Singapore	pounds	7, 279, 885	6, 988, 352	4, 353, 328	8, 157, 296	6, 587, 056	7, 997, 920	.....	.....	.....	.....
	dollars	925, 421	1, 038, 135	551, 991	1, 168, 760	825, 827	897, 270	.....	.....	.....	.....
British Africa (South coast)	pounds	678, 032	998, 256	2, 772, 784	1, 074, 976	1, 416, 240	2, 171, 080	3, 316, 208	1, 063, 552	3, 148, 208	2, 096, 625
Natal—imports	dollars	108, 373	205, 578	413, 100	129, 762	195, 372	158, 716	234, 738	92, 340	303, 264	152, 118

Imports of coffee into the United States from Central and South America from 1878 *to* 1887.

Countries.	1878.	1878.	1879.	1879.	1880.	1880.	1881.
	Pounds.	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*
Brazil	211, 654, 160	36, 367, 992	273, 837, 142	31, 795, 101	296, 731, 718	37, 855, 578	289, 298, 855
Costa Rica, Guatemala, Honduras, Nicaragua, San Salvador	13, 868, 955	2, 473, 178	11, 463, 136	1, 699, 231	19, 254, 218	2, 567, 786	15, 808, 327
Chili	106, 256	21, 179	.....	.....	.....	.....	10, 584
Ecuador	.....	.....	.....	.....	.....	.....	.....
British West Indies	2, 340, 187	364, 579	1, 944, 285	235, 309	1, 569, 828	211, 813	1, 594, 981
British Guiana	365	65	170	24	170	26	.....
British Honduras	(Included in British West Indies.)		19, 326	3, 528	479, 749	67, 740	728, 476
Hayti	12, 813, 113	1, 891, 207	16, 660, 030	1, 940, 706	22, 659, 285	2, 926, 544	31, 908, 074
Mexico	6, 337, 063	1, 082, 272	8, 307, 040	2, 371, 979	9, 818, 525	1, 523, 658	13, 911, 910
Dutch West Indies	44, 939	6, 896	574, 151	87, 197	1, 204, 343	169, 318	11, 409, 030
Dutch Guiana			893	245	20	5	403
Peru	4, 594	942	.....	.....	840	138	1, 249
Porto Rico	105, 856	13, 083	120, 309	19, 701	2, 937, 083	502, 090	3, 465, 572
United States of Colombia	5, 931, 709	1, 022, 216	8, 938, 044	1, 354, 938	12, 687, 423	2, 018, 471	7, 958, 171
Venezuela	36, 623, 291	6, 228, 297	29, 138, 035	4, 059, 213	75, 518, 910	4, 966, 068	42, 245, 176
	289, 835, 588	.....	.....	.....	.....	.....	.....

Countries.	1881.	1882.	1882.	1883.	1883.	1884.	1884.
	Dollars.	*Pounds.*	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*	*Dollars* 3
Brazil	35, 608, 186	315, 465, 986	29, 520, 157	372, 860, 370	27, 797, 748	347, 373, 001	30, 021, 57
Costa Rica, Guatemala, Honduras, Nicaragua, San Salvador	1, 989, 958	22, 449, 112	2, 512, 230	24, 715, 028	2, 475, 942	31, 827, 573	3, 288, 521
Chili	2, 139	.....	.....	800	102	.....	.....
Ecuador	.....	.....	.....	.....	.....	.....	.....
British West Indies	194, 039	2, 888, 508	286, 865	6, 167, 730	428, 203	5, 205, 957	385, 184
British Guiana	.....	800	92	.....	.....	.....	.....
British Honduras	98, 349	829, 604	118, 323	1, 544, 753	216, 916	148, 439	21, 964
Hayti	3, 352, 971	22, 527, 950	2, 106, 874	17, 944, 600	1, 384, 915	16, 285, 183	1, 292, 491
Mexico	1, 730, 838	17, 020, 669	1, 817, 584	8, 578, 532	809, 757	9, 975, 466	114, 594
Dutch West Indies	1, 489, 005	3, 442, 467	432, 699	1, 084, 220	98, 287	1, 221, 858	123, 257
Dutch Guiana	62	190	41	198	47	22, 376	2, 294
Peru	219	.....	350	40	.....	800	82
Porto Rico	482, 574	2, 187, 716	248, 006	80, 286	5, 451	217, 827	20, 467
United States of Colombia	1, 200, 358	6, 966, 008	857, 612	12, 801, 726	1, 245, 434	8, 817, 733	887, 519
Venezuela	5, 166, 316	43, 869, 170	4, 599, 023	47, 742, 466	4, 498, 207	53, 363, 495	5, 125, 144
	.....	.....	.....	453, 520, 748	.....	.....	.....

Countries.	1885.	1885.	1886.	1886.	1887.	1887.
	Pounds.	*Dollars.*	*Pounds.*	*Dollars.*	*Pounds.*	*Dollars.*
Brazil	406, 714, 346	30, 346, 792	392, 058, 002	26, 384, 150	362, 928, 304	36, 401, 804
Costa Rica			44, 750, 594	542, 582	7, 211, 833	1, 061, 601
Guatemala			13, 341, 119	1, 389, 168	15, 645, 848	2, 035, 013
Honduras	36, 811, 072	3, 833, 372	16, 319	1, 934	66, 087	9, 762
Nicaragua			1, 398, 331	134, 799	2, 996, 760	354, 495
San Salvador			10, 361, 373	1, 023, 927	6, 813, 774	809, 096
Chili	.....	.....	.....	.....	2, 210	221
Ecuador	.....	.....	.....	.....	484, 613	55, 757
British West Indies	3, 896, 698	318, 114	2, 917, 248	231, 514	4, 551, 959	492, 586
British Guiana	.....	.....	.....	.....	36, 000	7, 200
British Honduras	15, 496	2, 064	167, 109	20, 689	115	19
Hayti	19, 034, 988	1, 390, 731	16, 023, 221	1, 115, 145	5, 745, 198	709, 976
Mexico	10, 041, 421	979, 538	15, 764, 902	1, 380, 756	14, 567, 005	1, 837, 450
Dutch West Indies	322, 620	33, 892	398, 387	34, 560	241, 341	33, 026
Dutch Guiana	.....	.....	.....	.....	128, 138	16, 066
Peru	608	75	600	60	160	20
Porto Rico	4, 864, 188	603, 564	2, 929, 175	356, 106	81, 292	11, 590
United States of Colombia	4, 608, 889	482, 539	6, 374, 667	659, 501	13, 595, 678	1, 437, 177
Venezuela	53, 506, 130	4, 670, 888	54, 260, 497	4, 208, 480	59, 463, 487	6, 770, 168
	.....	.....	.....	.....	494, 359, 812	.....

CULTIVATION, PRODUCTION, AND EXPORTATION OF COFFEE IN AND FROM MEXICO, CENTRAL AND SOUTH AMERICA, AND THE WEST INDIES.

[Circular.]

DEPARTMENT OF STATE,
Washington, September 2, 1887.

To Consular Officers of the United States in Mexico, Central America, South America, and the West Indies:

GENTLEMEN: You are instructed to prepare, at your earliest convenience, a report upon the production and movement of coffee in your district. The report should cover, as far as is possible, the following points:

(1) Cultivation; average product per acre; area under cultivation, and area capable of being brought under cultivation.

(2) Statistics of production, consumption, and exports; with the quantities taken by each of the more important purchasing nations.

(3) Prices during the selling season. If possible, it would be well to give the prices for a series of years.

(4) Give the characteristics of the various grades or qualities of the coffees produced in your district, together with any information that you may be able to gain regarding the peculiar modes of preparation practiced which may affect the grade or quality.

I am, gentlemen, your obedient servant,

JAMES D. PORTER,
Assistant Secretary.

MEXICO.

LA PAZ.

REPORT BY CONSUL VIOSCA.

The first attempt at coffee planting in this part of the Republic was made by the undersigned, who introduced some coffee seeds and young trees from Colima and planted them in his garden, more for ornament than for intended use otherwise. The coffee berries produced being of such good quality, it became apparent that the soil and climate of Lower California were well adapted to coffee cultivation; and now the prospects are promising for the industry, as, since that date, the farmers have given the matter much attention.

It is thought that at no distant day coffee will become the principal article of export from this peninsula, as well as a principal article of home consumption.

Of course, under these circumstances, it is not possible to make a report thereon.

JAMES VIOSCA, *Consul.*

UNITED STATES CONSULATE,
La Paz, November 13, 1887

VERA CRUZ.

REPORT OF CONSUL HOFF.

Cultivation.—Coffee is cultivated in this district by planting the trees 9 feet apart, which gives about 600 trees to the acre. Between the rows, if there be no natural shading, bananas are planted to shade the coffee plants, as the hot sun kills them or greatly lessens their production.

Product.—The average product of a tree, after it is five years old, is about 1 pound, or 600 pounds per acre. The three cantons of Orizaba, Cordoba, and Jalapa are supposed to produce the following quantities, with a cultivated area of about 26,000 acres. These cantons have, it is thought, 70,000 acres more in which coffee can be cultivated:

	Pounds.
Orizaba	2,205,000
Cordoba	6,605,000
Jalapa	7,056,218

The home consumption is estimated at 1,042,965 pounds, leaving the remainder available for export to the following countries:

	Pounds.
Italy	313
Belgium	12,890
Spain	184,923
England	219,924
Germany	280,463
Cuba	758,156
France	1,177,523
United States	12,189,261
Total	14,823,253

This is all exported from Vera Cruz, which is the principal coffee-exporting point in the Republic. It will be seen that the United States consumes the greater portion of the export.

Prices.—Prices have varied so much that it is hardly possible to give any fair idea thereof. During the past two years the price has run all the way from 10 cents to 25 cents (Mexican). The present price is about 25 cents (Mexican).

Quality.—The largest dealers here say that "quality" is the result of cleaning and preparation for the market, otherwise the coffee is all the same.

JOSEPH D. HOFF,
Consul.

UNITED STATES CONSULATE,
Vera Cruz, November 19, 1887.

SAN BENITO.

REPORT OF CONSULAR AGENT BREWER.

Coffee is the principal article of export of this district, and its cultivation is getting to be of great importance, there being many new plantations started and a peculiar interest is being taken in its culture, especially by the foreigners located here.

The average product per acre is about 1,300 pounds; in some parts giving as much as 2,000 pounds, according to situation. Coffee is an

article which can only be raised successfully in a certain new, deep, black, loamy soil at an elevation of from 2,500 to 4,500 feet above the sea, and requires a great deal of moisture. The trees should be planted at least 12 feet apart, and at the lower elevations require other larger kinds of trees planted among them for the purpose of shading from the sun, but they should have as little shade as possible, the higher elevations not requiring any, and yielding much heavier. Special attention must also be given to keeping the ground clear of weeds, vines, grass, etc. It requires clearing three or four times per year.

There are at present only about 1,000 acres planted to coffee, but there are at least 30,000 acres well adapted to its cultivation in this vicinity.

The production has been from 15,000 to 20,000 centals per annum, of which about half is shipped to Mexican ports and the balance is sent to Germany, England, and the United States, about the same amount to each. The grades are the same as in Guatemala, which joins us on the south, and prices range from 10 to 20 cents per pound. We expect about 15 cents for the next three or four years. Much coffee was sold as high as 20 and 21 cents during this season, but prices have fallen to about 16 or 18 cents at present.

The coffee of this country is all washed, and is cleaned by "Gordon's" (English) machine, the best known to us. The tree is very hardy and easy to start, and comes into bearing in three years. A failure of crop is unknown to us, though the crops are not uniform; years of heavy yield being followed by correspondingly light crops in the following year.

LOUIS R. BREWER,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
January 17, 1888.

TAMPICO.

REPORT OF CONSUL GREATHOUSE.

In this consular district, comprising the State of San Luis Potosi and a geographical section of Tamaulipas, the coffee plant is generally an exotic. In the State of Tamaulipas, coffee is not classed among its productions, and is only cultivated to an extremely limited extent in isolated sections of the State and only for local consumption. Its climate and soil are not considered as conducive to the cultivation of the plant. In the Republic its cultivation is confined chiefly to the States of Vera Cruz, Tabasco, Campeche, Yucatan, Chiapas, Oaxaca, Guerrero, Jalisco, Sinaloa, and Colima. The approximate value of the annual product of these States is stated by Mr. Garcia Cubas, an eminent Mexican statistician, to be $3,200,000. Of these the State of Vera Cruz is considered the place of central production. Its average annual product is declared to be 12,136,000 pounds, with a valuation of $1,062,000. In the Pacific State of Michoacan it is also extensively cultivated, and the product is of an unusually superior variety. In this report, however, for obvious reasons, I shall not undertake a general review of the coffee industry as it is applicable to these enumerated States, but shall restrict my observations to the production and movement of this district.

DISTRICT OF TAMPICO.

Cultivation.—Production in this district is confined to a small section of mountainous country in the southeastern part of the State of San Luis Potosi, known as the Sierra de Jilitta. In the valleys and on the table lands of these mountains are found the coffee patches and plantations of the rancheros and haciendados, and the coffee here produced and transported to Tampico and other accessible markets bears the name of Café de Sierra, or mountain coffee. It is difficult to estimate the average production per acre in this district, as the number of large coffee plantations is exceedingly few, the plant being cultivated in small patches, each ranchero (a small farmer) producing a surplus above his domestic needs of 500 to 1,000 pounds, which he sells to itinerant buyers, who visit this region during the drying season, and these pack and transport the staple by canoe and on mule-back to the principal centers of domestic consumption.

Production.—The average annual production of Jilitta coffee is estimated to be 950,000 pounds. Few staples are so largely influenced by unpropitious seasons as coffee, hence in some years the crop is considerably in excess and in others below these figures. During the past several years there has been no disposition to materially increase the area of production, as it is claimed that in ordinary seasons the market price is such as to leave little margin of profit to the producer. In the district the area capable of being brought under cultivation is sufficient to quadruple the present crop, and with skillful and more efficient cultivation the increase would be much greater; but Mexican farmers are conservative and are slow to extend their industrial enterprises beyond their immemorial dimensions.

Consumption and export.—The coffee crop of this district is inadequate for domestic consumption, hence in ordinary seasons none is exported. However, during the present year, on account of the shortness of the Brazilian crop and the consequent extraordinary enhancement in values in the European and American markets, a strong effort was made by the merchants of Tampico to export even at the risk of sacrificing the needs of local consumption. The exports during the present year amount to 225,700 pounds, valued at $45,880. Of this total the United States received 124,700 pounds, valued at $25,680, while Germany, France, England, and Spain received the remainder in approximately equal proportions.

Prices.—During several years prior to 1887 prices ranged from 12 to 16 cents per pound, according to quality. During the present year prices have fluctuated from 16 to 30 cents per pound, the wholesale quotations during the present month approximating the latter figure. The anomalous situation is here presented of Mexican coffee being now quoted in the United States at 17 to 20 cents per pound, and the same grade of coffee realizing 30 cents in this port. It will be apparent that the latter is the direct result of the effort to realize in the high markets abroad and the consequent draft on the home supply. This situation, however, is only temporary, and the crop of 1887 now being harvested, will soon restore prices to their normal condition.

Grades.—Coffee that reaches this port has but one commercial grade, deductions being made on account of breakage, foreign matter, etc., and is known in the commercial parlance of the port as "Café de Sierra," or mountain coffee.

Preparation.—No machine hullers are used in hulling the berry. The primitive device of pounding the berry (when ripe) in an ordinary clay

mortar is the process employed in hulling, after which the bean is laid upon straw mats and exposed to the noon-day sun until it assumes a rich yellow color, which latter being accomplished it is ready for the itinerant buyer, who conveys it to the markets of San Luis Potosi, to Victoria, the capital of Tamaulipas, and by river, rail, and mule-back to Tampico.

Adulteration.—The efforts that are made in some quarters of the world to give the berry an artificial green color, wherein the most pernicious drugs are often employed, is surprising to one who considers that green is the color of the berry in its unripe or imperfectly cured state, which color is lost by its constant exposure to the sun, which produces the rich yellow shade that only good coffee should wear. The mystic art of adulteration has not yet dawned upon the conservative Aztec to any alarming extent, although there is no prophesying what changes may be brought about by his increasing contact with the elements of scientific progress.

WM. R. GREATHOUSE,
Consul.

CONSULATE OF THE UNITED STATES,
Tampico, December 26, 1887.

TEHUANTEPEC.

REPORT OF CONSULAR AGENT LANGNER.

EL CERRO DE PLUMA REGION.

Cultivation.—The principal coffee region of this State is that surrounding the mountain called El Cerro de Pluma, situated in the district of Ejutla, between Port Angel and Miahuatlan. The discovery that this region was suitable for coffee-growing is attributed to a traveler from Central America. At first the results did not answer expectations, owing to inexperience, lack of capital, and unacquaintance of the laborers with the peculiarity of the coffee-tree. In time, however, these difficulties were overcome and plantations augmented, so that at this date El Cerro de Pluma is surrounded by about 20 flourishing farms, with a total of about 2,000,000 trees. I have visited many coffee farms in Guatemala and nearly all of those of El Cerro de Pluma, and I consider the latter superior to the former. The soil is not as rich as that of Guatemala or Soconusco, where the land is level, whereas in Pluma nearly every farm has some trees planted on the mountain slopes. While this is advantageous it also has disadvantages, the trees being sometimes washed out in rainy seasons. Besides this the erroneous system of planting every two trees close together has been adopted, the result being trees not unfolded to their natural exteht, and consequently of less yield.

Production.—The average quantity which a plantation yields depends in great part upon circumstances, such as abundant rain whilst growing and dry weather when ripening and harvesting. Here a crop of 1 pound per tree is seldom exceeded, the average yield being less.

Cost.—The cost of Mexican coffee for export is estimated at about $5.50 (Mexican) per hundred weight. Laborers are paid from 2½ to 3½ reals per day. Labor is very scarce, however, having to be secured in distant villages, etc. Freight to port, bagging, lighterage, etc., 4 cents per pound on board.

Preparation for market.—The machinery employed in cleaning, peeling, and separating is English.

OTHER DISTRICTS IN TEHUANTEPEC.

The foregoing is the principal coffee-producing region of Ejutla, but I am convinced that in the whole range of mountains northward along the coast suitable coffee land can be found, in proof of which I need only say that near Puerto Escondido trials have been made with good results, plantations being formed with about 200,000 trees.

In the district of Tehuantepec coffee is raised in various places. The product was formerly exported from Salina Cruz, but owing to the system of consume duties, and vexatious formalities, the product is now exported from Vera Cruz, now diverted as above, for Vera Cruz. This product was entered here to the annual amount of 2,000 hundred-weights.

The district of Villa Alta possesses some plantations, one of which has 120,000, but the owners seem to have abandoned them.

The outlook, etc.—I am under the impression that along the whole coast there can be found suitable tracts of land, and that money invested in this industry by people who understand its requirement will give a fair return.

The conditions for successful coffee-farming are select lands, good humus earth of at least 3 feet in depth, elevation above the sea 3,000 to 5,000 feet, plenty of rain for four or five months, plantations not too far from villages and public roads.

ALFRED LANGNER,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Tehuantepec and Salina Cruz, December 22, 1887.

TUXPAN.

REPORT OF CONSUL DRAYTON.

Cultivation.—Coffee has been planted here, but, not being profitable to the planters, has been abandoned, not only by Americans but by the natives also, owing to the uncertainty of the crop and the price of labor being too great to admit of profit. Coffee does not grow very well here; it has to be protected by shade trees from the rays of the sun. The seeds are planted in beds in the shade, and when the plants attain a height of 8 or 10 inches, which they do in a season, they are transplanted in timber lands whence the brush has been removed. They are set out in rows about 10 feet apart, making about 550 plants to an acre.

Production.—The yield per tree is about 2 to 3 pounds, or from 900 to 1,200 pounds per acre. A large area of land in this district is suitable for coffee culture. The production is, however, very little, and that little is produced by the Indians for their own consumption principally, small quantities being exported to the United States—these exports since January last being only 33,766 pounds, valued at $6,746.96.

Prices.—Prices at present are much higher than formerly, being now 37½ cents per pound, as against 10 to 20 cents in the past. In fact coffee can be purchased in the United States and sold here cheaper than the home products.

Quality.—There are three or four grades of coffee. The best selected is a small, green, round grain. Another is a larger grain, green and

flat. The next is flat and light-colored. This is the most inferior grain in the market, being picked from young trees.

Preparation, etc.—When ripe, or of a red color, coffee is picked from the trees and piled in heaps in the open air. After "sweating" in these heaps, it is opened out to dry. It is then hulled in a mortar, there being no machines for doing the work. It is then pounded until the grain separates from the pod, after which it is "winnowed" in blankets, the wind blowing the pods from the beans. It is then cleaned by pickers, who "grade" it as before mentioned. One pound of green coffee will make, when cleaned and dried, about one-fourth of a pound. It is gathered in baskets which hold 40 to 50 pounds; pickers will pick 100 pounds per day and are paid about 50 to 75 cents therefor. To this must be added the cost of drying, cleaning, sacking, transportation to market, etc.

Where the principal coffee tracts are situated labor is much cheaper than in this district. The principal coffee center of the republic is Cordova, Vera Cruz being its outlet to foreign markets.

JOHN DRAYTON,
Consul.

UNITED STATES CONSULATE,
Tuxpan, November 29, 1887.

CENTRAL AMERICA.

COSTA RICA.

REPORT OF CONSUL WINGFIELD.

Introductory.—Coffee was first planted in Costa Rica in the year 1796, from seed brought from Havana. The first grains were planted at Cartago, where, it is said, the trees from which all the seed of Costa Rica, and even of Central America, have been propagated still exist in a flourishing condition. The development of the incipient industry was largely due to the efforts of a Catholic priest, Father Velarde, under the administration of Don Thomas Acosta (1797–1810). Since the separation from Spain in 1821 it has been the unbroken policy of the Government to favor coffee production. Don Juan Mora, the first President of Costa Rica (1824 to 1833), relieved coffee from export duties and granted special privileges to its cultivators. President Carrillo, in 1840, authorized the sale of the fertile municipal lands of Las Pavas, on the express condition that they should be made model coffee plantations. Under the administration of Don Raphael Mora (1849 to 1859) the construction of many important roads, especially of the wagon road to the port of Puntas Arenas, on the Pacific, notably contributed to the development of agriculture and commerce. Notwithstanding the war against Walker, and the cholera which followed that war and decimated the population, and the consequent scarcity of labor and capital, the exportation of coffee reached in 1861 100,000 quintals. The prices paid from this time for Costa Rican coffee, especially in England, caused the abandonment of almost all other agriculture, and in 1884 360,000 quintals of coffee were exported, which is the largest crop ever grown in the country.

CULTIVATION AND PRODUCTION.

In making a coffee plantation, where the farmer makes his own nursery, as is generally the case, the seeds are planted in May, and are ready

for setting out the following May. Two years after setting out there is a sprinkling of coffee, and at three years of age there is quite a fair crop. The yield continues to increase each year until the grove is seven years of age, when a full crop is produced. In setting out the groves the trees are spaced from 10 to 15 feet each way, making as an average 500 trees to the acre. The coffee is a delicate plant and needs protection from wind and sun. To this end bananas and a quick-growing, wide-branching tree called the white porro are planted. The latter is also planted in close hedges around the field. The first year, small crops, such as potatoes and beans, between the rows, are not considered injurious. Where the land is very fertile the young tree is topped when one year old, and two branches allowed to put out, which are topped at the end of the second year, and each allowed to throw out two branches. This topping is to prevent the tree from growing so tall as to make it inconvenient to gather the fruit; but topping and trimming are not practiced so much now as formerly. After the plantation begins to bear, from five to six cleanings are needed each year. This is done altogether by hand labor, and the culture must be very shallow. Immediately before the coffee picking season, with a sharp wide spade, and going not more than 1 inch deep, a laborer turns over the land, throwing from the middle of the row to the trees. This process, called "aporca," gives a smooth, clean surface around the trees, so that all coffee dropped in picking may be saved. Near the close of the dry season, which lasts from December to April, the second working is given, which consists in scraping the soil lightly back to the middle of the row with long knives.

This process, called "raspa," is repeated at intervals of six weeks to two months, until the soil is scraped back from the trees to the middle of the rows and the ground brought to a level. An incidental benefit of this process is that the grass and leaves are collected in a heap in the middle of the row, where they rot and make a good manure, which goes back around the trees by the "aporca" at the beginning of the dry season. The annual cost per acre of working a coffee plantation varies in different localities, according as the soil is stiff or light, with or without surface rock, but may be stated to be an average of $6 (Costa Rica currency, equivalent to $4.25 United States gold). When an extra large crop is given, the next crop falls below the average. This is partly due to the exhaustion of the trees and, in part, to the fact that at the time of gathering one crop the buds for the next crop are already beginning to form, and labor being scarce, the pickers are paid according to quantity gathered, so that in the haste of stripping the branches the incipient buds for the new crop are injured or destroyed to a considerable extent. Stable manure, rotted leaves and weeds, deposits of rich earth from town drains and from the overflow of creeks and rivers are used to fertilize coffee plantations; but up to the present time very little Peruvian guano, bone, or manipulated manures have been used.

Taking a series of years, the average annual yield of the coffee plantations of Costa Rica may be placed at 5 quintals per acre (each quintal being equal to 100 pounds). Statistics collected at the taking of the census in 1883 show that at that time there were about 46,000 acres in coffee cultivation, included in 7,500 estates, and numbering 23,000,000 trees. Prices for coffee were low in 1884, 1885, and 1886, and the average in cultivation was not increased during those years. A much better price has been paid this year and the disposition now is to set out new plantations. Coffee is grown successfully in this country between the limits of 2,500 feet and 5,000 feet elevation above the sea-level. At

about 4,000 feet elevation it is thought the best results are obtained. The statistics of the crop of 1883–'84 sustain this view.

Provinces.	Elevation.	Acreage.	Number of trees.	Crop yield.
	Feet.			*Quintals.*
San José	3,800	19,500	9,750,000	200,000
Heredia	3,000 to 4,000	14,250	7,125,000	115,000
Cartago	5,000	b,250	2,625,000	40,000
Alajuela	2,500	7,000	3,500,000	45,000
Total		46,000	23,000,000	400,000

In the province of Heredia there are two sections—Lower Heredia about 3,000 feet elevation, which does not yield much better than Alajuela, and Upper Heredia, about 4,000 feet elevation, which gives better results than San José. It is claimed that while Cartago does not yield so much per acre as Heredia and San José that the flavor and quality of the coffee produced are better, and that a uniform crop is gotten each year. In the provinces of Heredia, Alajuela, and San José about all the land well suited for coffee growing has already been brought into cultivation; but descending from Cartago down the valley of the river Reventazon, toward the Atlantic there is a fine belt of land, said to be better adapted for the growth of coffee than even Heredia and San José. A plantation in this section last season yielded 15 quintals per acre. The railroad from Port Limon is in course of construction up the Reventazon Valley to Cartago. When this is completed it is probable that, at no distant period, this belt of country, from an elevation of 2,500 feet, up to Cartago will be put in coffee, thus increasing the present acreage 50 per cent.

EXPORTS AND HOME CONSUMPTION.

The following table shows the production and distribution of the crops of coffee of Costa Rica for the years 1884, 1885, 1886, and, approximately, in 1887:

[Each quintal is equivalent to 100 pounds.]

Whither exported.	1884.	1885.	1886.	1887.
	Quintals.	*Quintals.*	*Quintals.*	*Quintals.*
England	165,002	103,722	116,406	100,000
Germany	40,600	27,664	28,872	30,000
France	52,067	25,158	18,538	25,000
Spain	18,568	25	.....	.....
Belgium	.....	139	.....	.....
Holland	.....	.....	125	2,000
Denmark	.....	.....	3,722	3,000
New York	28,460	17,036	12,653	.....
New Orleans	16,330	6,296	1b6	.....
San Francisco	38,013	17,604	13,778	.....
Total United States	82,803	40,936	26,627	60,000
Mexico	.....	.....	95	.....
Colombia	1,968	1,288	1,388	.....
Chili	450	.....	632	.....
Central America	53	.....	53	.....
Total exported	361,511	198,932	196,458	220,000
Home consumption	40,000	40,000	40,000	40,000
Total crop	401,511	238,932	236,458	260,000

Estimated crop for 1888, for export, 190,000 quintals. The estimated home consumption is probably excessive, as this includes worthless and defective coffees thrown in in hand picking.

PRICES.

The following table shows the premium on exchange on New York, the prices actually paid for coffee in Costa Rican currency to producers, and the corresponding equivalent in United States currency during the time of harvesting and preparing the crop of coffee for market, namely, the months of January, February, and March of each year, from 1879 to 1887, inclusive.

	Premium on exchange on New York.	Average price paid in Costa Rican currency.	Equivalent of price paid in United States currency.
	Per cent.	*Per quin'al.*	*Per quintal.*
1879	10	$11.00	$10.00
1880	20	12.00	10.00
1881	23	12.50	10.00
1882	17	9.00	7.70
1883	27	8.50	6.70
1884	12	10.00	8.33
1885	29	11.00	8.52
1886	42	14.00	9.85
1887	42	15.00	10.50
Average of nine years		11.44	9.07

PREPARATION FOR MARKET.

The preparation of coffee for market (here called "beneficing" and the establishment where prepared "beneficio") consists: (1) In breaking the pulp, washing and drying. (2) In polishing, fanning, and classifying. The coffee is received at the "beneficio" in fruit (red, and much like a large cherry), measured and run into a large tank (of cement). A strong head of water runs into this tank, washing the berry of sand and dirt, and through a draw-gate carries the coffee down a canal to the mill. In the course of the canal there are several sockets, covered with grating, into which the sand and dirt settle and also, at suitable places in the canal, there are low places where some water overflows, carrying the light floating coffee which is spoilt or injured. Arrived at the mill the coffee-berry is run through the crusher, which breaks the outer skin and pulp, then through a horizontal cylinder working in water, so arranged that the pulp and outer skin are separated from the grains. The grains are run into tanks and washed, and then run off into large open yards, smooth and cemented, called "patios," from which the water is drained off by gratings. Thus the coffee is received above and the work is done by water turning the machinery and carrying and spreading the coffee in the patios, and only about three attendants are needed. The coffee after being spread in the patios must be turned and stirred every day to prevent souring and must be covered with canvas sheets whenever a rain threatens, and also on damp nights. As soon as the coffee is dry it is put in sacks, and transferred to the warehouse.

In the second process, it must be remembered that the coffee comes from the patio with the grains, each covered with two thin skins, called parchment. It is therefore first passed through the husking

machine, then through a fan, then through the polisher, and again through the fan, and then through the machine for classifying. The principle of both husking machine and polisher is rubbing. The classifier is a long cylinder placed horizontal with walls of wire netting, the netting being fine at the end at which the coffee enters and becomes more and more open toward the further end. The cylinder revolves and within the cylinder is a revolving spiral which forces the coffee along the cylinder. The small and cracked grains fall through the close netting of the cylinder in the first section; then the round grains in the second section, known as Peaberry or "Carracole" coffee; then the smaller flat grains, giving third-class coffee; then in the next section comes the second-class coffee, and the last section of the cylinder gives the large perfect flat grains which can only pass through coarse open netting—the first-class coffee. In order to give uniform color a little charcoal, made from cedar or porro, is sifted into the polisher and rubbed in with the coffee. About one teaspoonful is allowed for each quintal of coffee. Of course much of the charcoal goes off with the dust and chaff in passing through the fan. In addition to giving a better color, it is thought that coffee polished with charcoal is less liable to be affected by dampness and must in transportation.

The Peaberry or Carracole coffee is a fancy article, and always commands a higher price. This is the coffee from those berries which have only one round grain to the berry, whereas most berries have two grains, flat on one side. The first and second grades of coffee are always picked over by hand, taking out black and otherwise defective grains. The third grade is often passed again through the classifier and converted into first and second grades. Until recent years the Peaberry and first and second grades, and the firsts from re-classifying the third grade, have been sent to England. The seconds and thirds of the third grade have been sent to the United States, where, it is believed, people do not know how to appreciate first-class coffee.

The quality of coffee is much improved with age, and the best coffee that can be gotten here is where it has been dried in the berry and not beneficed until it is one or two years old.

CONCLUSION.

Up to the present time the crops of coffee have been almost exclusively cured by drying in the open patio. When the rainy season laps over into the dry season there is much trouble and extra expense incurred. An effort is now being made to introduce the process of curing by dry air—known as the "Guardiola" process. Upon the success of this the development of the Reventazon Valley will largely depend, since that valley is much more subject to rain during the coffee harvest than the San José Valley. In conclusion I desire to acknowledge my indebtedness for much valuable material in preparing this report to the recent publication "Costa Rica in 1886," by J. Bernardo Calvo, and to the courteous chief of the Bureau of Statistics, and to several gentlemen who have been engaged many years in the growth and beneficing of coffee.

J. RICH'D WINGFIELD,
Consul.

UNITED STATES CONSULATE,
San José, October 18, 1887.

GUATEMALA.

REPORT OF CONSUL GENERAL HOSMER.

COFFEE IN GUATEMALA.

Cultivation.—Coffee is the principal staple commodity of the Republic of Guatemala, and its chief article of export. The topographical features of the country are such that climatic influences are favorable to the growth of the berry, varying only according to altitude and care in cultivation, or as the degree of tropical heat may be tempered by copious rain-fall and precautions as to shade during the early age of the tree.

It may be interesting, and perhaps instructive, to note some points in relation to the cultivation of coffee. Like fruits which enjoy their perfection by planting the seed and carefully nursing the growing tree, so it is important that the proper selection of soil shall be made in which to cultivate coffee. A nursery is formed by the choice of a level piece of virgin ground, in proximity to water, where the earth is rich and crumbly. The land must be thoroughly cleared and the soil dug to the depth of at least nine inches and made as friable as possible. It is then divided into beds with narrow paths between. The seed, carefully selected from the soundest grains, either in parchment or with their outer husk, should be sown, row by row, about 10 to 12 inches apart. A rope, the length of the beds, stretched from one end of the same to the other, is used for this purpose. The seed, if sown in suitable weather (April being the best month), makes its appearance in the tender blade, above the surface, after thirty-five to forty days; so that a nursery formed during the month of April of one year has plants sufficiently matured to be set out during May or June of the following year.

At this stage of culture the infant trees will have grown 18 inches in height, with three "stories" of branches. The fourth cross should then be pruned, an operation which is very essential in order to give robustness to the stem and shape to the growing tree.

A piece of land slightly sloping is regarded the more desirable for a nursery, because natural drainage is advisable, and care should be also taken to prevent washing by heavy rains.

Preliminary to the all-important progressive step in coffee culture, that of transplanting, is *holing*. The field is prepared in advance for the reception of the nursery trees by digging holes (5 yards apart when above 3,000 feet of altitude, and 3 yards when at the lower levels of from 2,000 to 1,500 feet above the sea) to depths of about 12 inches by 12 inches in width. It has been faithfully demonstrated, by frequent experiment, that leaving the holes open three to four months' time is chemically beneficial to the soil.

In the matter of transplanting, the actual placing of the infant trees into the holes prepared for their reception is one that requires the most care and attention of all the operations in the formation of a coffee plantation. Early planting, say during the month of May, June, and July, is desirable, because the trees have the benefit of the entire rainy season, and are sure to give a larger maiden crop.

The usual course pursued in transplanting is as follows: When dug out of the nursery, with a 12-inch-square lump of soil attached, the trees with crooked roots should be thrown aside, and none but those having a straight tap root should be planted. The infant tree should not be put deeper into the ground than the depth it occupied when it stood in the

nursery. It should be then carefully pressed in from the sides, but not trodden down. The trees should be freed from suckers and pruned after the second year, clipping off the upper shoots.

Coffee trees usually bear abundantly one year and lightly the next. Judicious pruning helps to increase the crops, although no definite rule can be given for pruning old trees further than that no branch should be allowed to yield more than three crops, because after that they degenerate into mere whips, bearing only a few berries at the extremities of their attenuated limbs.

Production.—The average product per acre in Guatemala of coffee cultivation is 1,800 pounds; an estimate which does not claim to be other than approximate, on account of the varied influences of soil and temperature, as well as the great number of inconsiderable patches which are distributed throughout the Republic, and which, if included in the statistics of production would naturally vary the above-stated average.

Preparation for market.—The berries are always picked by hand and carried to the curing house, where the pulp is removed by machinery, as a general rule, and dumped into a soaking-cistern, where the bean should never be allowed to remain beyond a period of twenty-four hours. After the saccharine scum which covers the bean is washed off, the contents of the cistern are cast upon large drying grounds of cement called "patios," upon which the coffee beans are thinly spread. Here it is important that the coffee should be kept constantly turned until all the surface is dry and the beans cease to adhere to each other, continuing the operation until the berry will crack under the pressure of one's teeth, while care should be taken not to break the parchment whilst exposed to wind or sun, as every hour's exposure to the atmosphere, after removal of the parchment-husk, takes away both the color and the aroma of the bean. As a matter of course the coffee must be picked when fully ripe, since no care in curing or packing will improve the color or flavor of a half-ripe bean.

On the large "fincas," or coffee estates, the Guardiola drier is used to great advantage in competition with common barbecues. It is a machine patented in the United States, and of growing popularity in all the producing countries, but unavailable for the means of a planter who can not produce more than 3,000 quintals (300,000 pounds) per year.

When thoroughly dry the preparing for market is done either by running the bean through the old-fashioned "Retrilla de Gordon," a two-wheeler breaker and polisher, or by the more modern Surout machine, of Gautemalan invention, or by the "Buffalo Coffee Huller," a machine reported to be of great efficiency, and which would become of universal use, according to expert testimony, if better material was used in the construction of its machinery.

After the hulling process is completed, the *sorting* is the next operation. Ordinarily, firsts, seconds, and thirds are prepared for packing into Dundee or Calcutta sacks of 130 to 135 pounds, net, each; and upon its completion the coffee is ready for transportation on the backs of Indians or mules, or in carts drawn by oxen, to the nearest railway station for the most convenient port of shipment. The largest bulk of the "firsts" finds its way to London; the "seconds" to Germany and France; and the "thirds" to the United States.

Labor.—In reporting upon the cultivation of coffee it may be well to state that the labor is performed by the Indians of the country, whose remuneration varies from 19 to 25 cents per diem in Guatemalan currency, the value of which in United States money is 72 cents on the dollar. Occasionally 37½ cents per diem is paid to the laborer on the Pacific coast, and in both cases without rations of food. The Indians

subsist on *tortillas*, a corn cake, and *frijoles*, the bean of the country, both corn and beans being raised by their own labor on patches of ground, on the squatter system, which belong to either the owners of the estates where they are employed, or are unsold Government lands, which are thus gratuitously appropriated. He makes his own simple wearing apparel from the cotton grown in the country and woven by the women, but heavy drilling, imported from the United States, is beginning to be extensively used, especially among the Indians of the uplands, thus relieving both sexes of a share of domestic labor, and enabling them to occupy more of their time in work upon the fincas.

Exports.—The following table shows the amount of coffee shipped from the port of San José de Guatemala, to various points of destination, for the six months ended June 30, 1887:

Destination.	Sacks.	Pounds.
Antwerp	157	22, 572
Bordeaux	73	11, 096
Bremen	3, 059	414, 003
Hamburg	33, 953	4, 658, 219
Havre	6, 177	828, 855
London	15, 812	2, 125, 164
New York	1, 838	267, 517
San Francisco	18, 758	2, 579, 969
Spain	2	264
South America	334	65, 870
Central America	123	18, 182
Total	80, 286	11, 001, 711

The following table shows the amount of coffee shipped from the port of San José de Guatemala, to various points of destination, for the three months ended September 30, 1887:

Destination.	Sacks.	Pounds.
Bremen	3	396
Hamburg	56	8, 512
London	22	3, 384
New York	1	106
San Francisco	257	30, 130
South America	15	2, 290
Total	354	44, 778

The following table shows the amount of coffee shipped from the port of Champenco, to various points of destination, for the six months ended June 30, 1887:

Destination.	Sacks.	Pounds.
Central America	150	18, 937
Chili	517	68, 234
England	32, 321	4, 392, 894
France	23, 166	3, 229, 092
Germany	92, 916	12, 364, 024
Italy	1, 062	144, 968
United States	71, 186	9, 857, 529
Total	221, 318	30, 075, 678

The following table shows the amount of coffee shipped from the port of Livingston, to various points of destination, for the six months ended June 30, 1887:

Destination	Sacks.	Pounds.
Belize	223	26,158
Boston	1,016	165,428
Hamburg	130	16,558
London	4,607	606,943
Montreal	151	23,103
New Orleans	473	59,528
New York	677	84,821
Total	7,277	982,539

The following table shows the amount of coffee shipped from the port of Livingston, to various points of destination, for the three months ended September 30, 1887:

Destination.	Sacks.	Pounds.
Belize	31	4,063
Boston	187	28,611
Hamburg	100	14,901
London	960	125,788
New Orleans	130	15,392
New York	606	78,420
Truxilla Honduras	158	18,170
Total	2,172	285,345

The following table shows the amount of coffee shipped from all the ports of the Republic of Guatemala, to various points of destination, during the six months ending June 30, 1887:

Destination.	Sacks.	Pounds.
England	52,740	7,125,001
France	29,416	4,069,043
Germany	130,057	17,452,804
United States	93,948	13,014,941
Total	306,161	41,661,789

Prices.—The following comprise the average selling prices of coffee in the Guatemalan market during ten years:

1877	$0.09
1878	.10
1879	.08
1880	.09
1881	.11
1882	.12
1883	.11
1884	.09
1885	.08
1886	.15
1887	.18

Quality.—In relation to the characteristics of the various grades or qualities of the coffees called for in the Department circular, I am fortified by the valuable opinion of Mr. A. Zollikofer, a practical expert in

coffee-growing on a very extensive scale in the Republic of Guatemala, and to whom I am greatly indebted for much important information in connection with this report, in the belief that there is no substantial difference in the grade of coffee grown in different countries. Where it does exist it will generally prove to be the result of different modes of cultivation and preparation for the market, or in the method of curing. There is a marked difference in the size of the berry produced in the highlands, compared with that grown on the plantations below, and caprice more than reality gives preference to the former, which commands a market price from 10 to 15 per cent. higher than that of the coffee of the lower level of land.

Area, etc.—As to the area under coffee cultivation in Guatemala it is difficult, if not impossible, to obtain accurate statistical information; and still more so to estimate the area capable of being brought under cultivation. There is but comparatively little "vacant soil" appropriate for coffee culture, and it is problematical if the country ever again produced an amount greater than the half million of quintals (50,000,000 pounds), which were the figures of last year, and which has now shrunk to about 400,000 quintals, or less, for the whole Republic.

I subjoin, however, an approximate estimate furnished to me, which is, I should judge from inquiry, as accurate as can be obtained, but which does not include a number of insignificant coffee patches devoted to home consumption and which do not enter into the array of figures representing actual export.

Area under cultivation.	Acres.	Vacant land, mostly broken, but one-quarter of which is arable.
		Acres.
Pamaxán district	600	6,000
Costa Grande district	8,000	4,000
Sans Felipe and dependencies	3,200	.....
Xoluitz	2,500	3,000
Costa Cuca	5,500	1,500
Saquichillá	600	3,000
Cuch	1,000	4,000
Tumbador	2,000	5,000
Rodeó	500	1,000
Total	35,900	31,000

JAMES R. HOSMER,
Consul-General.

UNITED STATES CONSULATE GENERAL,
Guatemala, December 24, 1887.

HONDURAS.

REPORT BY VICE AND ACTING CONSUL BERNHARD.

Owing to the utter lack of official statistics, I have been obliged to rely upon information derived from merchants and producers in the preparation of this report. I may say here that Honduras is more of a pastoral and mineral than an agricultural country, and that the cultivation of coffee is very limited.

Production.—The production of coffee is estimated at about 20,000 quintals, of which not more than 10 per cent. is exported, exclusively to England, the remainder being consumed in the country.

Prices.—The ruling prices throughout the year 1887 ran from $14 to $18, Honduras money ($1=75 cents American) per quintal.

Exports.—Growers export partly through the port of Amapole, and partly through Puerto Cortez, on the north coast. Small lots of Honduras coffee are exported through the neighboring republic of Salvador. These latter are the products of the departments of Gracias and Santa Rosa.

Coffee exported this year from the department of Paraiso sold in England at $17 gold per quintal. Only first-class small grain coffee is exported, and the lowest prices realized in England therefor were as follows: 1885, $12 to $13 per quintal; 1886, $14.50 per quintal. Before the lowering of prices the same grades of coffee sold as high as $23 per quintal.

Quality.—Nearly all coffee produced is a small, round, bluish-green bean; all other is consumed in the country, the best being always exported.

Preparation for market.—Machinery for drying coffee is only found on one large plantation of 120,000 trees in the department of Paraiso. Coffee for home consumption is prepared in the most primitive manner.

Conclusions.—The large tracts of land suitable for coffee growing are situated on the slopes of high mountains and in the valleys between the high ridges. The difficulties of transportation would therefore be very great. Consequently I am under the impression that coffee cultivation on a large scale in Honduras will never be developed, especially as cattle raising and mining offer more profitable fields to capitalists.

GEORGE BERNHARD,
Vice and Acting Consul.

UNITED STATES CONSULATE,
Tegucigalpa, September 30, 1887.

RUATAN AND TRUXILLO.

REPORT OF CONSUL BURCHARD.

The production of coffee in this consular district is quite limited, not being sufficient to supply the demand for home consumption.

The soil and climate of the high lands near the coasts, as well as those of the interior, are well adapted to the development of this industry, but as yet it has not received any practical attention worthy of notice.

WILLIAM C. BURCHARD,
Consul.

UNITED STATES CONSULATE,
Ruatan, September 30, 1886.

NICARAGUA.

REPORT OF CONSUL WILLS, OF MANAGUA.

Planting.—The selection of a plantation for the production of coffee is in the sierras (hills), 1,000 feet or more above the level of the sea, of a deep, loamy soil. The first work after the selection of the plantation

is to prepare a nursery and seed the coffee beans, then clean off all the undergrowth of the forest, thin out the larger trees, leaving sufficient for shade, that being necessary for the coffee plant. Burn the rubbish when sufficiently dry, weed the land perfectly clean, for which purpose the machete is used as hoe, axe, and plow, being the only instrument used in the cultivation of coffee. The coffee, upon the best cultivated and most productive estates, is planted in rows running up and down the declivities, 3 yards apart in the rows, and 4 yards between the rows, which gives four hundred plants to the acre. For the first two years the plants must be kept perfectly clean, which will require four to six workings a year; after that two nice cleanings and weedings a year will suffice for the thrift of the grown plants. Where there is not sufficient shade, plantains are cultivated to furnish it, being of a quick and rank growth, as well as food plants.

Acreage.—In this district there are perhaps 2,500 acres under cultivation, and about as much more capable of being brought under cultivation; but this latter is so situated where there are no means of transporting a crop to the coast; no roads, and a scarcity of labor.

Production.—Coffee has been cultivated in Nicaragua for twenty-five to thirty years.

The coffee trees begin to bear the third year, but not a full crop. The average crop from four to six years old trees is from 400 to 600 pounds per acre.

It is estimated that there are in Nicaragua six hundred coffee estates averaging 16,000 trees to the plantation; at a pound to the tree, which is an average yield, there will be 10,000,000 pounds or 100,000 quintals, of 100 pounds each, produced in the country.

Preparation, etc.—At the commencement of the dry season, the last of November, the picking of the berries begins; they are picked from the bushes by hand and placed in a wallet slung over the picker's shoulders. The coffee is then taken to the nearest roadway and emptied into sacks holding 2 bushels. When these are filled they are taken on muleback to the yards for drying, there spread to the depth of 3 to 4 inches, occasionally stirring, until thoroughly dry. The coffee is then taken to the hulling machine to be hulled and cleaned, which is done at one operation by machinery imported and conveniently located for that purpose. It is then hand-picked to rid it of all defective grains; by some it is then graded by passing through a sheet-iron cylinder in sections punched with different sized holes for three gradings. It is then bagged and ready for shipment.

A few planters, with capital, provide water-tanks, and peel and wash their coffee, which is done without drying, and as soon as it comes from the pickers. For this process only the ripe berries are picked, which necessitates three pickings. After washing it is dried in the parchment (which is a strong white skin or husk covering the berry), peeled, hand-picked, bagged, and either sold here or shipped to foreign markets. By this process coffee is worth from $5 to $10 per quintal more.

Quality.—There is no particular character to the coffee here; it is known in the market as Nicaraguan.

Consumption.—Only a limited amount of the coffee is used in the country, and that of the poorest quality.

Exports and prices.—The following table will show the exports to the more important purchasing nations for the years from 1881 to 1886, and prices during the selling season. I could not obtain the statistics for the year 1887, the price only is given. The coffee exported in any one year is the crop of the preceding year.

Coffee exportation and prices during the selling season in Nicaragua.

Whither exported.	1881.	1882.	1883.	1884.	1885.	1886.	1887.
	Quintals.	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*
England	24,254	30,704	19,550	19,074	21,187	18,072	.....
France	6,337	9,105	9,714	7,392	9,747	10,971	.....
Germany	6,239	11,358	10,572	21,982	18,793	17,776	.....
Italy	2,893	1,061	1,112	111	52	382	.....
United States:							
Atlantic ports	7,259	20,685	10,237	23,820	20,336	21,605	.....
Pacific ports	.....	.....	3,327	.....	.....	1,709	.....
Colombia	.....	174	42	.....	6	250	.....
Chili	.....	196	.....	.....	.....	1,496	.....
Central America	.....	.....	27	5	.....	44	.....
Spain	.....	.....	.....	.....	.....	46	.....
Total	46,982	73,283	54,581	72,384	70,121	72,351	*50,000
Government valuation (Soles) One hundred and one pounds English equal to 100 pounds Spanish (United States gold at 73).	$9.00	$9.00	$9.50	$9.50	$10.00	$10.00	$17.00
	6.57	6.57	6.93½	6.93½	7.30	7.30	12.41

* NOTE.—Estimated exports. On account of draught the crop was small. The Spanish quintal is equal to 101 pounds American.

SUPPLEMENTARY.

Since sending my report on coffee I have received statistics from the three ports of Nicaragua of shipments of coffee for the year 1887.

SAN JUAN DEL NORTE.

	Quintals.
United States	7,000
Europe	5,000

CORINTO.

Germany	18,000
United States	12,000
England	8,000
France	5,000

SAN JUAN DEL SUR.

United States	31
England	288
Germany	102
	55,421

The above are received from agents—the official returns not as yet made to the Government—and I am satisfied they are very nearly correct.

CHAS. H. WILLS,
Consul.

UNITED STATES CONSULATE,
Managua, December 24, 1887.

SALVADOR.

REPORT OF CONSUL DU PRÉ.

The interior of the two coverings of each grain of coffee is full of saccharine matter. This sack grows red as the berry ripens, and is fitted closely about the double grains, lying, with their flat surfaces against

each other, within this red or purple sack. The berry, on the tree, is thus round and red, and emits a delicious fragrance. Chemists extract from this covering of the coffee-berry much sugar and not a little rum, both having the flavor of aromatic coffee. As coffee is now prepared for shipment, this coating is carefully removed when the berry falls into halves, and this is the coffee of commerce.

The opinion prevails among intelligent coffee growers that the removal of this red, juicy covering from the berry at the place of production is injurious, the discovery having been made that during long voyages coffee thus denuded of its native integument loses part of its choicest virtues, absorbing moisture, afterwards dissipated in drier atmospheres. Each sack of coffee gains from 1½ to 3 pounds during the sea voyage. When exposed for sale or use, the natural covering of the berry having been removed on the coffee farms, not only the moisture absorbed at sea, but the native aroma and much of the exhilarating properties (the essential oil) of the coffee are lost.

Coffee is not perfectly ready for use until it has remained dry in its husks at least two years. From these husks, originally red, juicy coverings, the berry is alleged to absorb their choicest properties. It therefore follows that the removal of this covering at an early day in the country of production will cease, and less costly and less complex machinery will be used in Salvador.

Coffee should be stored not only in its husks, but it should be kept in apartments, as on shipboard, where it may not be contaminated by absorption of odors from other substances. If coffee be deposited near codfish or strong cheese it will speedily absorb their odors. Coffee is esteemed in tropical countries to be the choicest disinfectant.

Exports of coffee from San Salvador.

Year.	Quantity.	Value.
	Pounds.	
1884	22,427,971	£672,702
1883	22,744,029	683,221
1882	.....	$2,700,804
1881	.....	2,909,195

L. J. DU PRÉ,
Consul.

UNITED STATES CONSULATE,
San Salvador, October 28, 1887.

SOUTH AMERICA.

ARGENTINE REPUBLIC.

REPORT OF CONSUL BAKER, OF BUENOS AYRES.

The Argentine Republic is not a coffee producing country; not that the climate and circumstances of the upper interior provinces are not adapted to its growth, but as yet the industry has attained to no development.

Plantations.—In the provinces of Salta and Jujuy there are a few plantations pua I am told that the best results have been obtained,

both in respect to yield and quality. I have likewise seen some very promising plantations in the province of Tucuman, which afforded such satisfactory harvests that a number of parties are preparing to embark in the industry. In Paraguay, also, I have seen a number of quite extensive plantations, and the crops which they yielded were all that could be desired. The coffee tree, however, prefers a hot climate, and even in Paraguay the leaves are sometimes nipped by the frost. In the extreme northern portion of the Argentine Republic there are many hot valleys, especially in the region of Oran and Jujuy, where it never freezes, and there the cultivation, at once so easy and so lucrative, may one day be undertaken on an extensive scale, but until the railway extensions northward from Tucuman are completed to those localities, over 1,200 miles from Buenos Ayres, there is no outlet to market for the production. What is raised in the districts I have named is consumed on the spot, none of the native product ever reaching this part of the country.

Imports.—The great proportion of the coffee which is consumed in the Argentine Republic is imported. The consumption, however, is comparatively small. The natives do not have the same affection for the beverage that they do for tea and *yerba mate* (Paraguayan tea). Its use is greatly supplemented by that of the latter drink, which is almost universally the beverage of all parts of the country. Thus the *yerba mate* and tea imported from abroad are greatly in excess of that of coffee. Last year the importations were as follows:

Article.	Quantity.	Official value.
	Tons.	
Tea	487	$487,275
Yerba mate	17,822	2,179,292
Total	18,309	2,666,567

Besides these imports of *yerba mate*, there is a large amount raised in the country—in the territory of Misiones. While the use of these teas are thus so general, and the imports so important, those of coffee are quite insignificant. The following are the imports for the last ten years:

Imports of coffee.

Year.	Quantity.	Official value.	Year.	Quantity.	Official value.
	Tons.			*Tons.*	
1877	1,288	$388,023	1882	1,784	448,954
1878	1,401	436,009	1883	1,746	502,568
1879	1,456	461,177	1884	2,275	691,227
1880	1,804	515,209	1885	2,439	750,964
1881	1,886	556,302	1886	2,931	878,824

The bulk of the imports of coffee comes from Brazil. The following are the figures for 1886:

	Quantity.	Value.
	Tons.	
From Brazil	2,694	$827,273
From all other countries	241	59,851
Total imports	2,936	887,124

Duties.—The custom-house duty on coffee is fixed at 8 cents per kilo. with 1 per cent additional, or about 4 cents per pound.

Prices.—The wholesale prices of Brazilian coffee in this port are as follows:

Cleaned and "caracolillo" coffee (national money)	per 10 kilos	$8.50
Good firsts coffee (national money)	do	$7.90 to 8.00
Seconds (national money)	do	7.50 to 7.80

These quotations are in all cases for coffee dispatched from the custom-house. I may state that this national money is at present worth about 70 cents gold to the dollar.

Quality.—In regard to the characteristics of the grades of coffee produced in the Argentine Republic, there is as yet hardly enough produced to furnish a test. The plants, however, with which the valleys of San Francisco and Campo Santo, in the province of Salta, were originally stocked were brought from Yungas, one of the hot valleys of the eastern slopes of the Andes in Bolivia, which is famous for the choice coffee it produces. In quality the coffee grown in both Salta and Jujuy is reported to be "equal to the finest Yungas, and far superior to the best Mocha."

E. L. BAKER,
Consul.

UNITED STATES CONSULATE,
Buenos Ayrès, November 3, 1887.

BRAZIL.

REPORT OF ACTING CONSUL-GENERAL M'CALL, OF RIO DE JANEIRO.

CROP OF 1887.

The impression is very general here that the crop which is now being gathered and marketed will prove to be smaller than the average crop for a number of years past. It is just to say that this impression prevails not only among planters and dealers, who may be regarded as interested in propagating it, but also among the exporters, who can not be considered as prejudiced in favor of this view. I have no doubt that the vast majority of exporters believe the crop will be considerably short.

Estimates made some two months ago by parties representing all shades of interest gave the crop for 1887–'88, in the territory whose market is the city of Rio de Janeiro, as ranging from 1,500,000 to 2,750,000 bags. From that time up to the 31st ultimo, however, there was a general drought in the coffee-producing zone, and it is stated that this has considerably injured the green fruit and thus reduced the probable yield, already diminished by previous injuries.

The damage to the Rio crop is represented as greater than to that of the country tributary to Santos. The leading commercial paper in Brazil, the Journal do Commercio of this city, regards the injury as extensive enough to warrant a reduction of its present estimate of 2,500,000 bags to 2,000,000, which figures apply only to the Rio crop. That of Santos is estimated at from 1,000,000 to 2,000,000 bags.

In connection with these estimates the following statement of exportation of coffee from this port and that of Santas during previous crop years will be of interest:

Crop year.	Exports from—	
	Rio de Janeiro.	Santos.
	Bags.	*Bags.*
1884–'85	4,274,783	2,165,064
1885–'86	3,795,321	1,657,630
1886–'87	3,500,234	2,478,754

Comparison with the estimates shows a decided decrease for 1887–'88. The crop of 1888–'89 has suffered from the partial loss of the July and August blossoming, consequent upon the drought. Refreshing rains have fallen lately and it is generally recognized that this means the partial saving of the September flowers, the destruction of which would still further reduce the next crop.

CONDITION OF COFFEE TRADE.

The condition of the Brazilian coffee trade for the last two months may be described as a "dead-lock."

The determined struggle between sellers and buyers has produced a virtual stagnation of the market, as will appear from statistics given below. From the outset, the journals, both through their editorial and contributed columns, have urged the planter to market his new coffees sparingly, and the propaganda is still active and efficient, as is shown by the continued diminution of receipts.

Affairs have been even more complicated by the recent appreciation in exchange, which renders the buyer still more unwilling to accept the terms of the seller. Altogether there are no signs of any immediate change.

A feature of the situation, it appears, is the fact that commission merchants and dealers, the middle-men between the planter and the exporter, bought largely from planters while prices were rising, so that there is considerable coffee held by intermediaries for their own account. To this extent the planter is not interested in the situation, while the commission merchants and dealers have personal motives for holding for better prices. This, no doubt, has had a strong influence in protracting the struggle.

There are grave evils growing out of the dead-lock, and out of the speculative spirit which brought it about. It has rendered money scarce and obtainable only at an excessive premium; it has seriously injured trade and commerce in all their branches, to say nothing of the artificial and delusive impulse given to coffee cultivation. All this brings out in decided relief the dependence of this part of the Empire upon a single commodity, and accentuates strongly the necessity of a diversification of products in a country which is, withal, so splendidly adapted to the most varied agriculture.

Herewith I give a résumé of the entries and sales of coffee in this city during the months of July and August of the present year, compared with the same period in 1886:

ENTRIES.

Months.	1886.	1887.	Decrease.
	Bags.	*Bags.*	*Bags.*
July	283,068	105,974	177,094
August	416,331	173,967	242,364
Total	699,399	279,941	419,458

SALES.

July	317,174	13,581	303,593
August	450,301	70,015	380,286
Total	767,475	83,596	683,879

The stock in first hands on September 1, 1886, was 153,000 bags; on the same date, 1887, 317,700 bags; showing an increase of stock in first hands on September 1, 1887, as compared with same day in 1886, of 164,700 bags.

CHARLES R. MCCALL,
Acting Consul-General.

UNITED STATES CONSULATE-GENERAL,
Rio de Janeiro, September 7, 1887.

RIO DE JANEIRO.

REPORT OF CONSUL-GENERAL ARMSTRONG.

CULTIVATION.

Planting.—Coffee may be planted directly in the ground where it is intended to grow, or it may be planted elsewhere and afterwards transplanted. To the former method the following objections are alleged: The young plants require more care, a very important consideration in this country, where labor is not abundant; they are liable to be injured in the process of hoeing; the seeds frequently fail to come up, leaving skips or blanks in the coffee-field; and the soil is much sooner exhausted.

Coffee plows wanted.—The implement principally used in the cultivation of coffee is the hoe, though I am informed that, on some plantations, especially in the province of São Paulo, the plow has been successfully employed. In many cases the use of the plow is thought to be impracticable on account of the steepness of the hill-sides occupied by the coffee-fields, but it is evident that, should the use of the plow become general, the economy of labor resulting therefrom would be very great. This question has never been properly tested, for, as I stated in my last annual report, the agricultural implements now introduced into Brazil do not seem to be of the kind best adapted to the wants of the country, and I will now add that to no implement does this statement more forcibly apply than to the plow. I think it would be worth the while of some enterprising American manufacturer to inves-

tigate this matter thoroughly, as he would thereby probably be able to open a large and profitable market for his goods.

Bearing.—Coffee requires a fertile soil. Hill-sides exposed to the sun are usually chosen as coffee fields. The coffee plant usually begins to bear when it is three years old. When six years old it produces a full crop, and generally continues to do so for ten years, and sometimes even longer. My attention has been called to a reported instance of trees thirty-five years old being rejuvenated by plow culture and made to bear excellent crops.

Flowering and harvesting.—The flowering or blooming of the coffee tree varies according to the latitude in which it grows, and also according to local and meteorological circumstances. Ordinarily in the province of Rio de Janeiro the first flowering takes place in the months of August and September, and the second in those of November and December. Sometimes there is a third flowering in January and February. Coffee begins to ripen in April, and the process of gathering the crop on a plantation usually embraces about four months. As the ripening period, however, varies in different localities, the gathering season of the whole crop is somewhat longer. The gathering and preparation of coffee is not heavy work; but, in order that the quality of the product may not be injured, much care is necessary. Of this, however, I will treat in another part of this report.

Production.—The product per acre varies greatly. In some localities it does not exceed 500 pounds, while in others it reaches 1,500 pounds, per acre. The information which I have been able to obtain in regard to this point is not sufficient to justify any attempt to fix an average; neither is it possible to make anything like a correct estimate of the acreage in cultivation or capable of being brought under cultivation. It may be stated, in general terms, that with remunerative prices and an ample supply of labor the production could be largely increased.

RECEIPTS OF COFFEE AT RIO DE JANEIRO.

The recorded receipts of coffee in the market of Rio de Janeiro, for the last eight crop years, were as follows:

	Bags.
1879–'80	2,957,473
1880–'81	4,571,000
1881–'82	3,840,940
1882–'83	4,739,640
1883–'84	3,188,392
1884–'85	4,112,328
1885–'86	3,889,318
1886–'87	3,500,234
Total	30,799,365

In view of these figures the production in this district seems to be on the decline. In the four years from July 1, 1879, to June 30, 1883, the annual receipts averaged 4,027,263 bags, while from 1883 to 1887, the average was only 3,672,578 bags. The decrease is evidently due to the unsatisfactory state of the labor question and to the low prices which prevailed between 1882 and 1886. It is thought that the present crop will not exceed 2,500,000 bags, and the receipts in this market up to the present indicate that it will be even smaller. Up to the 14th instant the receipts amounted to only 833,984 bags, against 2,112,945 bags in the same period of the previous crop year.

EXPORTS.

The exports for the last eight crop years were as follows:

	Bags.
1879–'80	2,990,059
1880–'81	4,401,627
1881–'82	3,926,372
1882–'83	4,556,372
1883–'84	3,219,516
1884–'85	4,274,783
1885–'86	3,795,321
1886–'87	3,358,378
Total	30,522,428

The following statistics of the distribution of the coffee exported from Rio de Janeiro in the civil years 1884, 1885, and 1886 show the number of bags taken by each country, and the ports in each country receiving the same.

1884.

United States:	Bags.
New York	1,576,273
Baltimore	456,476
New Orleans	220,553
Galveston	42,547
Hampton Roads	42,173
Newport News	25,200
Savannah	17,774
Mobile	8,379
Richmond	6,183
Not specified	5,547
Total	2,401,105

Europe:	
Hamburg	333,663
Trieste	216,169
Marseilles	151,826
London	128,025
Havre	71,441
Antwerp	70,718
Southampton	57,113
Genoa	48,031
Lisbon and Oporto	28,321
Bordeaux	23,266
Liverpool	16,962
Finland	10,700
Falmouth	7,020
Bremen	1,056
Not specified	7,871
Total	1,181,828

Cape of Good Hope	104,735
River Plate	53,381
Brazilian ports	135,654
Not specified	20,410
Total outside of the United States and Europe	314,180
Total exported to all countries, 1884	3,879,113

1885.

United States:	
New York	1,914,507
Baltimore	388,585
New Orleans	255,025
Galveston	51,325
Savannah	12,379
Newport News	8,541
Not specified	78,425
Total	2,712,990

Europe:	
Hamburg	380,577
Trieste	209,998
Marseilles	150,054
Antwerp	102,381
Havre	100,709
London	80,403
Genoa	42,646
Southampton	26,894
Bordeaux	23,554
Finland	14,680
Falmouth	3,600
Liverpool	1,809
Bremen	1,506
Not specified	18,792
Total	1,157,603

Cape of Good Hope	81,292
River Plate	50,213
Valparaiso	3,349
Brazilian ports	166,223
Not specified	35,241
Total outside the United States and Europe	336,318
Grand total exports	4,206,911

1886.

United States:	
New York	1,626,694
Baltimore	359,205
New Orleans	163,348
Galveston	31,399
Newport News	5,514
Charleston	5,000
Savannah	1,076
Not specified	6,233
Total	2,198,269
Europe:	
Hamburg	332,763
Trieste	159,539
London	153,516
Havre	106,181
Marseilles	97,395
Antwerp	68,079
Genoa	44,298
Lisbon	37,201
Southampton	21,722
Europe—Continued:	
Finland	17,413
Bordeaux	10,860
Wiberg	8,412
Bremen	4,998
Helsingfors	2,671
Naples	2,104
Liverpool	1,200
Not specified	17,037
Total	1,085,470
Cape of Good Hope	70,688
River Plate	54,694
Port Natal	8,750
Brazilian ports	129,499
Not specified	33,595
Total outside of the United States and Europe	397,226
Grand total exports	3,580,965

HOME CONSUMPTION.

For lack of official statistics covering the consumption of coffee in this district, it is impossible to offer in this respect, any information that is not merely conjectural. As far as my observation extends, the consumption of coffee is very great in proportion to the population. If this district contains, as I suppose it does, some 3,000,000 inhabitants, I think that 500,000 bags per annum is a moderate estimate of its consumption of coffee.

PRICES.

Encouraged by the high prices paid for coffee in 1874, and some of the following years, the Brazilian planters strenuously exerted themselves to extend its culture, so that in spite of the difficulties with which they had to contend they succeeded in the crop year of 1880–'81 in sending to this market nearly 4,600,000 bags, and in 1882–'83 over 4,700,000. This led to such a decline in prices that these in many instances did not pay for the cost of production, and a large number of planters, had it been practicable for them to do so, would, as I am informed, have abandoned its cultivation altogether. As it was, disheartened by the low prices and insufficient supply of labor, they gave it less attention. This of course curtailed production, which has recently been still further reduced by unfavorable seasons. As Brazilian coffee controls the market, the decrease in production here has naturally caused the present high prices, which, in view of the present crop being so small, would doubtless be still higher if the majority of consumers were willing to pay more rather than be deprived of the article. The following statistics show the extreme prices per pound in this market (calculated in United States currrency) during the fifteen half-years ending December 31, 1886:

From—	Quotation.	Price per pound.	From—	Quotation.	Price per pound.
		Cents.			*Cents.*
July to December, 1879..	Highest...	18.9	July to December, 1883..	Highest ..	13.2
	Lowest ...	4.4		Lowest ...	3.8
January to June, 1880	Highest...	16.5	January to June, 1884 ...	Highest...	13.6
	Lowest ...	6.7		Lowest ...	5.8
July to December, 1880 ...	Highest...	16.7	July to December, 1884..	Highest...	10.5
	Lowest ...	6.3		Lowest ...	5.5
January to June, 1881	Highest...	13.1	January to June, 1885 ..	Highest...	10.3
	Lowest ...	4.3		Lowest ...	4.8
July to December, 1881 ..	Highest...	13.2	July to December, 1885..	Highest...	10.2
	Lowest ...	4.7		Lowest ...	4.7
January to June, 1882	Highest...	12.2	January to June, 1886 ...	Highest...	11.0
	Lowest ...	3.9		Lowest ...	4.5
July to December, 1882 ...	Highest...	11.6	July to December, 1886..	Highest...	12.8
	Lowest ...	2.9		Lowest ...	4.5
January to June, 1883....	Lowest ...	15.3			
	Highest...	3.4			

The Rio coffee market opened this year with a stock of only 220,000 bags, against 397,000 in 1886. Nearly two-thirds of the small crop of 1886–'87 had been already sold, and it was generally conceded that the crop of 1887–'88 would even be smaller.

It was evident, therefore, that there must be a considerable advance in prices. Accordingly, in a few months, coffee rose over 60 per cent., the highest being quoted at 20½ cents per pound in May, against 12½ cents in the beginning of January. In June there was a further advance of nearly a cent per pound, but the consumers being unwilling to pay such high prices, the market became extremely dull. In July there was a slight decline, but not sufficient to stimulate buyers to make any purchases beyond such as were necessary to supply the most pressing wants of their consumers. In September prices declined considerably, and business became somewhat brisker. In October and November prices continued to decline. During the present month they have rallied a little, the lowest grades being now quoted at from 11 to 13 cents per pound, and medium grades at from 14 to 15 cents. There are at present no quotations of the highest grades.

GRADING AND PREPARING FOR MARKET.

The coffee exported from this market is commercially classified in seven grades, viz: Washed, superior and fine, good first, medium first, ordinary first, good second, ordinary second. The classification of the first grade is determined exclusively by its mode of preparation; that of the other grades by their appearance and aroma, which depend not only on the mode of preparation, but also on soil, climate, culture, and meteorological influences. Washed coffee is that from which the hull is removed before drying, as all coffee thus prepared is so classified. This grade embraces many qualities whose prices greatly vary; the difference between the price of the best and that of the most inferior quality of washed coffee may sometimes be as much as 3 cents per pound. From the other grades of coffee the hull is removed after drying. As I have already said the gathering and preparation of coffee demands much care.

In gathering, it is important to exclude as far as possible unripe or defective berries. If in drying coffee it be exposed to excessive fermentation, to mildew, or to the absorption of extraneous flavors, its quality is thereby injured, as is also the case when the grains are broken in hulling. On many plantations a want of care in gathering is partly remedied by the use of a separator, which sorts the grains. Some plantations have machinery for polishing coffee, an operation whose sole object is to improve the appearance of the product. As much care is

now taken in the culture and preparation of Brazilian coffee, and as the soil and climate of this country are eminently adapted to its production, its supposed inferiority to the coffee of other countries seems at present to be merely the result of commercial prejudice originating in the want of care formerly prevalent in its preparation, the effect of which continues to exist, although the cause has in a great measure disappeared. It is a significant fact that at all the great exhibitions where the products of the whole world are marshaled in their most imposing array the Brazilian article never fails to obtain the highest awards. At the Paris Exhibition in 1867, for example, it was the only coffee which obtained a gold medal. Two out of three silver medals were also awarded it, Java coffee obtaining the third, while the renowned coffee of Mocha was not deemed worthy of a single distinction.

The difference in price between the different grades of coffee, as it is classified in this market, is not uniform; sometimes this difference is less than one-eighth of a cent, and sometimes it exceeds 4 cents per pound. It is generally greater between ordinary second and good second than between any other two grades of which one is immediately above or below the other. It is doubtful whether the present classification of coffee is the best that could be adopted, and indeed it is probable that improvements of many kinds can be introduced into the trade.

H. CLAY ARMSTRONG,
Consul-General.

UNITED STATES CONSULATE-GENERAL,
Rio de Janeiro, December 14, 1887.

CEARÁ.

Exports of coffee.

Year..	Quantity.	Year.	Quantity.
	Kilos.		*Kilos.*
1870–'71	560, 289	1877–'78	2, 308, 818
1871–'72	311, 888	1878–'79	494, 748
1872–'73	1, 562, 627	1879–'80	433, 528
1873–'74	967, 157	1880–'81	64, 791
1874–'75	1, 691, 443	1881–'82	3, 937, 980
1875–'76	1, 745, 808	1882–'83	2, 694, 316
1876–'77	1, 022, 886	1883–'84	2, 910, 955

Exports of coffee from July 1, 1885, to June 30, 1886, 193,430 kilos; value 60,306.330 reis.

Exports 1884–'85 106,872 kilos; 1883–'84 2,910,955 kilos; 1882–'83, 2,694,316 kilos.

Exports.

Destination.	1882–'83.		1884–'85.	
	Quantity.	Value.	Quantity.	Value.
	Kilos.	*Reis.*	*Kilos.*	*Reis.*
Great Britain	763, 987	179, 540. 292	13, 871	4, 993. 560
France	726, 679	182, 785. 358	47, 466	17, 617. 140
Germany	1, 038, 390	239, 654. 058	45, 086	16, 329, 442
United States	161, 667	36, 300. 025		
Portugal	292	84. 715	455	163. 800
Canada	3, 300	744. 000		
Total	2, 694, 386	639, 108. 448	106, 872	38, 503. 942

SANTOS.

REPORT OF CONSUL M'CALL.

CULTIVATION.

The coffee-tree in the province of São Paulo may be grown in one of three ways: (1) From the seed planted directly in the fields. (2) From slips (called *mudas*) which are grown at short intervals in a moist and shady spot selected for the purpose. On reaching 6 or 8 inches in height the slips are transplanted to the field. This method is preferred to that above mentioned, because it thus becomes possible to exclude weakly plants and to avoid the failure of plants to grow. (3) From the ends of branches some 8 inches long and planted about 6 inches deep. It is held that this plant is the best of all, as it gives a more rapid growth and a stronger tree than the other methods.

The plants are grown at intervals of from 10 to 15 feet, the longer distances being observed in poor soils and the shorter distances in good lands.

No special preparation of the field is necessary beyond clearing it of all extraneous growths.

Hillsides are chosen for the planting, because they are less subject than the low-lying places to the effects of frost, and preference is given to hillsides looking northward, these locations being better sheltered from the cool south winds.

All kinds of soil may be utilized except that which is quite rocky. The best soil is known as *terra roxa*, red earth, being a topsoil of red clay, some 3 or 4 feet thick, with a subsoil of gravel.

The fields are hoed from five to ten times a year, as circumstances require. It has also been found profitable to fertilize the trees, the best agent for this purpose being, it is said, the hull of the coffee-berry.

At one year the tree is about 2 feet high; at three years it reaches 4 feet, or one-half the average height of the full-grown tree.

It begins to bear usually at the fourth year, but this first effort gives only a small result. The tree is regarded as reaching its prime when ten years old. After twenty years, generally speaking, it becomes practically sterile, although if treated with proper care it may continue to produce fruit for forty years.

Coffee cultivation, both in this province and in that of Rio de Janeiro, not infrequently suffers from drought. As indicated above, frost is another casualty to which the crop is subject, more especially in São Paulo. There are occasional frosts during the winter months—that is, from May to August. It is very rarely the case, however, that they are heavy enough to do any material damage. The injury to the crop of 1885–'86, by frost was unprecedented for many years. Occasionally and in limited zones, caterpillars cause loss; but the coffee industry of São Paulo, unlike that of Rio de Janeiro, is virtually free from any insect enemy.

HARVESTING AND PREPARATION.

The first flowering occurs usually in September (occasionally in August), and the last sometimes as late as January. The berry begins to form in November and to ripen in April or May, at which time harvesting commences.

The ripe berry is oval in form and of a deep red, almost purple, color.

It consists of a tough outer skin, and inside of this a sweet, soft pulp, which incloses sometimes one bean, sometimes two, as will be explained below.

In harvesting, the berries are stripped by hand from the branches and dropped into baskets or on sheets. Very little care is exercised in this work, and green berries, leaves, and twigs are stripped off along with the ripe fruit. This lack of care results in the more or less unclean condition of the coffee after it is prepared for market, notwithstanding the various preliminary cleaning processes to which the berries are subjected.

One of these processes is to wash the newly-gathered berry in shallow cisterns filled with water. Thus washed it is put to dry on selected ground, called the *terreiro*, which is completely open to the sun and is floored with some hard material—clay, stone, or cement. Here it remains on an average three weeks, pains being taken to protect it from the rain, for which purpose more or less frequent removals to shelter are necessary. In the process of drying, the skin of the berry turns black and forms a brittle hull, and the white, sweet pulp disappears almost entirely, leaving on the kernel a very thin covering called the *pellicula*, or "silver skin." The generally accepted theory is that the pulp is absorbed into the bean, and that it is to this absorption that the best flavor of coffee is due. The berry is sometimes dried by steam-heating machines, but these are costly, and it is found that under this process the flavor of the coffee is impaired. A drying apparatus free from these objections would be of great value, and is a *desideratum* in Brazil. It would largely reduce the time and work of preparation and thus enable the planter to market his crop earlier, as well as to employ more care and more of his laborers in harvesting. The latter consideration especially is of no little weight, as it means not only the better prices consequent upon cleaner coffees, but also a more thorough harvesting and the resultant increase of the output.

From the *terreiro*, the berry is conveyed to bins or *tulhas*, where it remains until it is to be passed through the machines which prepare it for market.

Of these there are various systems used in this province, two of which are of American invention and manufacture. The Lidgerwood Machinery Company, whose founder is an American, has been long established in Brazil and turns out deservedly popular machines. The process adopted in these several systems is essentially the same, the difference being in details of construction.

The berry goes first to the *ventilador*, or windmill, where the dirt, stones, and sticks are blown out as much as possible; then to the *descascador*, where it is hulled. The bean thus liberated is passed to the *brunidor*, in which it is freed from the *pellicula* and polished (and sometimes colored also); thence to the *separador*, where it is separated, more or less completely, according to size and according to grade. It is now ready for sacking.

What is called "washed coffee" is prepared by a different process. The berry is placed, just as it is gathered from the tree, in a tank of water, whence it passes with the water into the *despolpador*, which partially removes the pulp above mentioned. It is then conveyed, still mixed with water, into the *batidor* or pounder, where by means of revolving iron arms the work of pulp removal is completed more or less perfectly. Thus treated, the bean has a very light bluish tint—almost white. After a few days of drying, it is ready to be sacked. It can thus reach the market earlier than other coffees.

Washed coffee forms but a small percentage of the entire production. It is, by reason of its lustrous, almost silvery, appearance, a fancy article, although quite inferior in flavor to coffees dried before preparation, owing, it is believed, to the fact that the bean is not allowed to absorb the pulp. It finds its chief consumption in France.

COST OF CULTIVATION AND PREPARATION.

A *fazendeiro* (planter) of this province, writing to a local newspaper, estimates at 104 milreis ($56.78) the cost of cultivating, gathering, drying, and housing, ready to be hulled, the product of a thousand trees. This is in the event that free labor is employed. When slave labor is used, the expenses for the same work are taken at 159 milreis ($86.81) per 1,000 trees.

The expense of preparing for market does not materially vary, whether free or slave labor is utilized; since it represents, in the case of a planter who owns machinery, the "wear and tear" and the interest on the capital employed, while in the event the planter owns no machinery, it represents the price paid for the work of preparation to some neighbor or some central establishment.

This cost of preparation is given at 21 milreis ($11.46) for the product of a thousand trees—equal to a little more than 1 cent per tree.

According to this calculation, then, if the planter's laborers are slaves, he can get his coffee ready for marketing at an expense of 8 cents for each tree; if he uses free labor the cost is reduced to 5½ cents.

I offer no opinion as to the correctness of the figures presented by the *fazendeiro*, but merely give them for what they are worth.

MARKETING.

The first installment of the year's crop reaches this market in June or July. The greatest activity in marketing is in the last four months of the calendar year.

A part of the coffee is sent to market in sacks of the regulation weight for exports, viz, 60 kilograms. By far the larger portion, however, is sacked by the planter in bags of coarse cloth without regard to weight of the contents. These bags are carried on mules or in ox carts to the nearest railroad station, whence they are shipped to the planter's agent (*comisario*) at the sea-port. The agent or commission merchant rearranges and manipulates the coffee as he sees proper, and places it in sacks of the regulation size, the planter's sacks being returned to him free of expense over the railway.

The commission merchant, besides his very lucrative profits on resacking and frequently on money advanced to the planter, charges the latter some 3 per cent. commission for effecting the sale of the consignment.

The sale is made to the exporter through the broker, who receives for his services 100 reis (at present 4½ cents) per bag, paid in equal proportions by seller and purchaser.

In the city of Rio de Janeiro there is still another class of intermediaries, called *ensaccadores* or packers, also known as dealers, who buy from commission merchants and sell to the exporter, through the broker, and who also do the work and pocket the profits of resacking.

These additional middlemen do not exist in Santos.

ACREAGE AND RATE OF PRODUCTION.

There are no official statistics (and, I dare say, none in private hands) relative to the area cultivated in coffee or, indeed, in any crop. Surveys are rarely made, no land-tax is levied, and there are many planters who are said to have only the vaguest ideas of the extent of their estates. This being the case, I am unable to present any more exact idea of the acreage in coffee than that which I give below.

The production per acre can be very closely estimated. As before stated, the trees are planted at intervals ranging from 10 to 15 feet, which makes the average number of trees to the acre about 300. As to the product per tree, I have received various estimates, having consulted representatives of all classes interested in coffee. An average of these estimates may be taken to be 3 pounds of coffee ready for market. This makes the production per acre 900 pounds, or nearly 7 bags of the regulation weight.

The total average production of that part of this province tributary to the port of Santos (this excludes the northeastern portion, which markets virtually all its coffee in Rio de Janerio) may be taken as more than 3,000,000 bags annually. Dividing the total output by the product per acre, we would have an area cultivated in coffee of 450,000 acres. This, of course, is only an approximation made in the absence of statistics.

The lack of statistics also precludes information as to the area capable of being brought under cultivation. It may be remarked on this point that cultivation is constantly extending; that planters are moving into this province, especially from that of Rio de Janeiro, attracted by the fame of the fresh and fertile fields of western São Paulo; that the greater part of the province is admirably stocked with coffee machinery; that improved appliances are tried and availed of with an eagerness that does credit to the Paulistas, as the people of the province are called; and that there is in São Paulo a large extent of entirely virgin land, well adapted to the culture of coffee.

There are not a few people who do not hesitate to say that in five years 5,000,000 bags of coffee will be exported from Santos, the gateway between the outer world and this rich and progressive country.

The rapidly increasing immigration into São Paulo will, it is confidently believed, make the transition from slave to free labor an easy one, and prevent any disturbance in production.

EXPORTATION.

A table prepared by Mr. G. A. Schmidt, of the Associacâo Commercial of this city, shows the quantities of coffee exported and the countries purchasing during the years 1850 to 1886. (Printed in introduction, page —.)

The following shows the exports by months, with destinations, for the crop year 1886–'87:

Statement of monthly exports of coffee from the port of Santos during the year ending June 30, 1887.

[Sacks of 60 kilograms (132.3 pounds) each.]

Months.	Destination.							Total.
	Germany	United States.	France.	English Channel for orders and England.	Mediterranean ports.	Belgium.	Coastwise.	
	Sacks.	*Sacks.*	*Sacks.*	*Sacks.*	*Sacks.*	*Sacks.*	*Sacks.*	*Sacks.*
July	43,893	38,018	40,814	.....	18,201	35,247	127	176,300
August	46,950	13,933	29,631	5,568	16,834	18,773	95	131,784
September	37,815	16,099	33,633	1,476	56,497	26,791	194	172,505
October	62,925	73,114	102,426	31,516	27,687	23,188	1,141	321,997
November	48,014	35,252	61,160	34,866	14,560	14,691	1,117	209,660
December	74,566	55,497	61,115	39,770	39,288	9,301	696	280,233
January	47,943	71,951	59,336	21,700	22,367	15,421	1,252	239,870
February	21,930	94,595	33,546	12,854	8,772	.....	106	174,803
March	43,249	100,304	48,632	22,250	2,523	27,231	81	244,270
April	42,328	7,075	43,487	48,313	17,885	22,102	42	181,242
May	72,698	34,897	22,714	53,968	34,356	6,055	228	224,916
June	59,502	16,716	12,616	18,000	.....	13,941	143	120,918
Total	604,823	557,351	549,110	290,281	258,970	212,741	5,222	2,478,498

In respect to local consumption, the estimate fixed for Santos is from 5,000 to 6,000 bags annually. This is at the rate of about one-half a bag per annum per capita. At this proportion, the consumption for the territory which is tributary to Santos would be some 600,000 bags.

As bearing on the subject of production, and as showing the movement in marketing, the subjoined statement of monthly entries of coffee at Santos for the past two crop years will be of interest, the more so that the first of these crops was unusually short and the last unusually large

Months.	1885–1886.	1886–1887.
	*Sacks.**	*Sacks.*
July	114,816	70,685
August	131,373	159,530
September	154,850	264,591
October	190,008	323,800
November	232,774	350,084
December	214,778	358,293
January	160,875	153,952
February	133,816	195,964
March	137,318	192,434
April	103,208	186,030
May	56,004	196,166
June	38,586	131,929
Total	1,668,406	2,583,458

*Of 60 kilos.

The two tables first given above demonstrate how constant and rapid has been the increase in exportation from Santos, especially to our own country, which moved up to the first place in the short-crop year of 1885–'86, and was a good second in 1886–'87, when the crop was large, not only here but also in Rio de Janeiro. This latter fact shows that Santos coffee has gained a permanent footing in the United States, and that its acceptance by American consumers is now independent of the size of the Rio crop.

PRICES.

Herewith I give a statement of average monthly prices, in cents per pound, for the period from January 1, 1881, up to yesterday. The grade taken as a basis is "superior." The prices, which are furnished me by a leading export house here, are invoice prices of coffee put aboard ships in this port.

Statement showing average monthly prices for superior coffee, in cents per pound, from January 1, 1881, to November 30, 1887, inclusive.

Months.	1881.	1882.	1883.	1884.	1885.	1886.	1887.
	Cents.	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
January	13⅜	10	7⅞	12⅜	9⅜	8½	14
February	13⅜	9⅛	8⅜	13⅛	9⅛	8⅛	14⅜
March	13⅜	9⅜	9⅛	12⅛	9⅛	8¼	13¼
April	13⅛	9⅛	10⅛	10⅜	8⅜	8⅛	15
May	13⅜	9⅛	10⅜	10⅛	8¼	9⅛	18⅜
June	14	9⅛	9⅜	10⅛	9	9¼	22¼
July	13⅛	9⅛	10⅛	10	8⅛	9⅜	20⅛
August	11⅛	9⅜	9⅛	9⅛	8⅜	10	20⅜
September	11⅛	9⅛	10⅜	9⅜	8⅛	10⅛	20⅜
October	10⅜	8⅜	10⅛	9⅛	8⅛	10⅜	19⅛
November	10⅜	8⅛	11⅛	8⅛	8⅜	12⅛	18⅛
December	10⅛	7¾	12¼	9⅛	8⅛	13¼	.....
Average for the year	12⅛	9⅛	10 5/12	10 1/12	8 11/12	9 7/12	18

It will be seen that the lowest average monthly price was in December, 1882, viz, 7¾ cents; the highest, 22¼ cents, in June of the present year. Of the average yearly prices, the lowest was in 1885, while 1887 has thus far shown the highest.

GRADES OR QUALITIES.

According to the classification adopted in this market, there are six grades of coffee, which are as follows, in the order of superiority: (1) Fine (*fino*), (2) superior (*superior*), (3) good (*bom*), (4) regular (*regular*), (5) ordinary (*ordinario*), (6) triage (*escolha*).

These grades may be defined as follows:

Fine.—This is an absolutely clean coffee, of regular bean and pronounced color.

Superior.—In this grade the beans must be regular in size but may contain a few husks or black beans;* but sticks, stones, or dirt should not be seen.

Good.—Evenness of the size of the beans is not absolutely requisite in this grade, and there may be black beans and husks, and even one or another broken bean; but stones, sticks, and dirt are entirely excluded.

Regular.—This is a grade in which defects begin to make their appearance; it may contain a large quantity of any one of such foreign substances as black beans, hulls, stones, sticks, or dirt, or several of these defects in a small quantity each.

Ordinary.—This may contain all the defects above mentioned, besides, to some extent, broken beans.

Triage.—This, the lowest of all grades, consists principally of broken beans and defects of all kinds. It sometimes happens that this quality contains more foreign matter than coffee.

* These black beans—known to the trade as "quakers"—are unripe coffee berries which have been carelessly gathered along with the ripe berries and passed through the hulling machines. Shortly after being gathered they become moldy and rotten.

The terms regular, ordinary, and triage are very elastic in their application, and prices paid for these grades vary considerably.

ARTIFICIAL GRADING.

On some *fazendas* coffee is subjected to a mechanical process which improves its appearance and ostensibly elevates its grade. The machine used for this purpose, the *brunidor* or polisher, consists chiefly of a cylinder with revolving arms inside. When it is desired to color as well as polish the beans, they are mixed with coloring material and both are passed through a hopper into this cylinder, where they come in contact with the moving arms. Under this operation the bean is polished, colored, and freed more or less from irregularities of surface. Some of the coloring materials used are coal-dust, black lead, and lard; the latter is not mixed with the beans but smeared on the revolving arms. Heating the *brunidor* while in operation also changes the color of the bean, although this method is said to have only a temporary effect. Coloring is practiced more in the province of Rio than in São Paulo. In the city of Rio there are various coloring establishments. The machine consists of a cylinder divided into three compartments. After the coffee and the coloring agent (generally plumbago) have been placed in bags containing about 90 kilograms each, a bag is put in each compartment of the cylinder, which is revolved by steam. So far as I can learn, there is less variety of coloring in these establishments than in similar ones in other countries. In this province there are, it is stated, no establishments of this kind.

SANTOS AND RIO COFFEES.

As a rule, coffee shipped from this port is softer than that shipped from Rio de Janeiro, and, consequently, more apt to lose its original color and turn white or yellow with age. Santos exports a small proportion of hard coffees, but these reach here from the northern zone of the province, on the confines of the province of Rio de Janeiro, where the soil and climate approximate closely those of the later province and whence, by reason of cheaper railway charges, the greater part of the crop goes to the national capital. Santos coffee, further, is not so well cleaned as that of Rio, but on the other hand the Santos bean is usually larger and of a better color and aroma.

FLAT AND ROUND BEANS.

With reference to shape, there are in this province two well-defined classes of beans. In one kind the bean is oval on one surface and flat on the other; the berry contains two beans, which lie with the flat surfaces facing. In the other kind the bean is almost round, having a crease in place of the flat side, and there is only one bean to the berry. The flat bean corresponds to Java coffee; the round, which is sometimes called the "peaberry," resembles Mocha.

By far the greater proportion of coffee marketed here consists of flat beans. The peaberry is estimated to form from 3 to 6 per cent. of the total production. It is usually rated higher, in classifying, than flat beans of the same grade and commands better prices. On some plantations, after the separating machine has done its work, the remaining peaberries are picked out by hand.

It is a notable fact that the same tree produces both these kinds of fruit. The single-bean berries grow on the ends of the branches, the double-bean berries nearer the trunk, and the former are much more numerous on old trees than on young ones. This fact would seem to indicate that the shape of the bean produced depends on the productive force of the tree, this force being of course greater near the stem and on fresh trees.

BRAZIL VS. JAVA AND MOCHA COFFEE.—AN ANCIENT ERROR.

What is said above is directly connected with a subject which is of general interest, and to Brazil of special importance. I refer to the popular belief in the superiority of Java and Mocha coffees to any other variety produced in the world. This idea, however common and long established it may be, is none the less a flagrant error.

Among all the varieties of the world's coffee, there are two (and only two) shapes of the bean—the flat and the round. Of the first, Java coffee, and of the second, Mocha coffee, have for many years been taken as the best types. Now, the flat beans produced in the province of São Paulo and shipped from the port of Santos make as good "Old Government Java" as was ever grown on that island; and they are often sold as such in London, in New York, in Hamburg, in Havre, in Amsterdam itself. So also the round beans of São Paulo are time and again substituted for and sold in consuming markets as legitimate Mocha. The same thing may be done with Mexican coffee. It is not denied that there are differences in flavor as between Java and Mocha coffees and the other varieties; but the fact that most, if not all, of these others are substituted for Java and Mocha coffees and bought and drank as Java and Mocha shows that whatever differences exist are not in favor of these two coffees and completely explodes their claim to superiority.

So extensive is the substitution practiced in the distributing centers of purchasing countries that it is a wise consumer that knows the kind of coffee he drinks. The man in one of our American cities who is reported as having asked his grocer for "Old Government Rio," was by no means out of his reckoning.

It is easy to understand that a country should object to the disposal of her staple product under false colors. Brazil objects from motives not merely of national pride but also of national interest. She believes that the reputation of her coffees once established on an independent basis will find increased and increasing consumption, and no country is so well able, supplying as she does the vast bulk of the total production, to meet an augmented demand. An association of prominent men located in Rio de Janeiro, believing that the coffee of Santos and of Rio is the peer of any grown on the globe, has been active during its brief existence in the propaganda of placing the Brazilian bean before the world in its true light and on its own merits.

It remains to be seen how successful will be this crusade against the ancient error, the commercial juggling, and the false and arbitrary fixing of standards which have given to the Arabian and Javanese products such a factitious value and such an undue prominence.

CHARLES R. MCCALL,
Consul.

UNITED STATES CONSULATE,
Santos, December 1, 1887.

BRITISH GUIANA.

REPORT OF CONSUL BUNKER.

Cultivation.—There is no considerable area under coffee cultivation, the business being done in a desultory way by small growers, so that the average product per acre and the area under cultivation are items not obtainable. The area capable of being brought under cultivation, however, embraces all the alluvial lands of the colony—some millions of acres.

Production.—Statistics of production are not kept by this Government. In 1830 there were exported 10,000,000 pounds of coffee, while in 1881 the imports amounted to 498,276 pounds. No coffee was exported during the last year, but, on the contrary, 171,921 pounds were imported. The local consumption, so it is estimated, amounts to about treble the amount imported.

Prices.—As to prices, I can only give the retail market prices here, which run from 12 to 40 cents per pound.

Quality.—Mocha-Liberian has been tried with success in a few places. This coffee yields a large crop and is popular. The best, however, is Creole, or Surinam, a small, bluish bean, which retails at 40 cents per pound.

Preparation.—Coffee is dried and hulled in one or two places by machinery, but it is chiefly prepared by manual labor. From experiments conducted under my direction several years since it was ascertained that coffee dried in the hull artificially was greatly superior to the best sun-dried.

D. T. BUNKER,
Consul.

UNITED STATES CONSULATE,
Demerara.

BRITISH HONDURAS.

REPORT OF CONSUL MORLAN.

The coffee tree appears to find its natural home in the colony of British Honduras, and may be found growing wild in a great many parts of the colony.

In the wild state it does not produce an abundance of berries, but when cultivated it yields abundantly, and the growing of coffee for export would undoubtedly prove profitable but for the fact that the colony does not possess the required quantity of cheap and reliable labor, and the lands of the interior, which are best suited for coffee-growing, are not easy of access. The freight in some instances would about equal the value of the coffee. The climate also is rather dry and hot in the summer season, which makes the planting of shade trees necessary.

There is only one plantation of any importance in the colony, but as it was only planted during the years 1881 to 1884, it is only commencing to produce, and has not, as yet, exported any coffee excepting a few bags as samples. This plantation is situated about 60 miles from Belize, on the "old river," or Belize River, as it was formerly called, and, owing to the shallow and rocky condition of the river is almost inaccessible for

freight. This plantation has about 120 acres under cultivation and contains, in all, 30,000 trees. The product for the year was about 3,000 pounds. It is expected that the product for 1888 will be about 100,000 pounds. There are a number of smaller plantations that have not yet come into bearing, but it is generally conceded that, owing to the high price and scarcity of labor, the colony will not be able to compete with other countries better supplied. Most of the coffee used in the colony is imported, the total for the year 1886 being 76,702 pounds, valued at $8,223, the countries from whence imported being as follows:

	Pounds.
United States	6,487
Mexico	1,677
Guatemala	43,182
Jamaica	35,355
Total imported for home consumption	76,702

The duty on coffee is 2 cents per pound on all grades. The best coffee comes from Guatemala, and commands usually 18 to 20 cents per pound.

The past two years it has been much higher, owing to the high price of coffee in the United States. Most of the coffee trees of the colony were produced from seeds brought from Martinique and Guatemala. A few of the smaller planters have been experimenting with the Liberian coffee, but there has not been sufficient time to test it.

ALBERT E. MORLAN,
Consul.

UNITED STATES CONSULATE,
Belize, March 14, 1888.

DUTCH GUIANA.

REPORT OF VICE-CONSUL BARNETT, OF PARAMARIBO.

The cultivation of coffee has almost entirely died out in Dutch Guiana, and consequently I am unable to give any such statistics as are called for by the Department circular. Coffee is only cultivated in isolated patches throughout the colony, although the area suitable to its cultivation is practically unlimited.

The quantity grown is not sufficient to supply the home consumption, as is evidenced by the imports. What is grown is of superior quality, and sells here at about 26 cents per pound, American currency and weight.

As before stated, the area suitable for coffee cultivation is practically unlimited, as is evidenced by the coffee-plant growing wild all over the colony. Coffee is not likely to make any headway against its rival, cocoa, which entails far less expense and trouble in cultivation.

HENRY BARNETT,
Vice-Consul.

UNITED STATES CONSULATE,
Paramaribo, October 4, 1887.

ECUADOR.

REPORT OF CONSUL-GENERAL M'GARR, OF GUAYAQUIL.

Cultivation.—In starting a coffee plantation the seed or berry is sometimes sown, but generally speaking the plants which spring up from the berries dropped from the trees are transplanted when they are a year old. The fresh land being cleared, the plants are set out in rows, at 8 feet apart. At the same time maize, plantains, or bananas and the guava tree are planted at regular intervals between the coffee plants; the first two for the crops they will yield and to shade the tender plants and to keep down the weeds and other herbage during the first year or two, and the guava, which grows to be a large tree, to shade the coffee-tree, both while growing and after maturity, from the sun, the full rays of which would very injuriously affect the growth and fruit of the coffee-tree. After the second year the banana is cut down, leaving the guava alone to supply the necessary shade. The grass and weeds are cut down once or twice a year, but the ground is not plowed or otherwise broken up, and no other care is bestowed on the plantation.

Area.—The proprietors of coffee estates in speaking of the extent of their plantations always give the number of trees instead of the area under trees. In sales of plantations it is the trees which are sold and purchased, they being the principal consideration, the land without the trees being the incident. It is therefore difficult to obtain a definite estimate of the area under coffee, but roughly calculated it is given at 12,000 acres, while the area capable of being brought under cultivation is supposed to be 1,000,000 acres. These estimates refer only to lower and coast regions and do not include the interandean region, in many of whose deep valleys, especially in the northern provinces, coffee is cultivated in small patches, in the aggregate making a considerable area and producing nearly sufficient for local consumption. There the Indian population, comprising eight-tenths of the whole, does not use coffee, and its consumption is therefore small. It is said that in Ecuador the coffee-tree grows at all elevations from the sea-level to an elevation of 5,000 or 6,000 feet above.

Production and yield.—About 550 trees are planted to the acre. The tree is bushy, having many small branches, and grows to a height of from 6 to 8 feet. At three years it bears sufficient fruit to justify the labor of gathering; after five years it is in good bearing condition, and at eight years it reaches its full bearing capacity. The coffee-tree will live and bear fruit for thirty-five or forty years, when it begins to wither and decay. The average yield per tree is half a pound, or 275 pounds to the acre, the quantity varying according to the year, in some seasons more and in some others less. The character of the soil must be also taken into account, land which is somewhat dry, and in which there is considerable sand, being better adapted and more favorable to a large yield than heavy, clayey soil, which retains too much moisture.

I can obtain no reliable estimates of the total production and consumption. I am told by persons who profess to know that the consumption is from one-third to one-half the total production, and estimating the latter at 4,000,000 pounds, the former would be, say, 1,500,000 pounds.

The production of coffee has steadily increased for many years. The Government, since 1868, has encouraged its cultivation by relieving it from the heavy burden of the tithe-tax which is borne by most products of the country. The only tax to which it is subjected is an export

duty of 20 cents per 100 pounds. The high prices which have ruled this year, caused by the partial failure of the crop in Brazil and Central America and by speculative movements in Europe and in the United States, will, it is thought, greatly stimulate the production and increase the area under cultivation.

Exports.—The exports of coffee during the year 1884 amounted to 1,338,163 pounds, of which 254,572 pounds went to the United States. The exports for 1885 were 1,850,088 pounds, of which Europe took 604,388, Chili 981,494, Peru 239,206, and the United States 34,000. The exports for 1886 were 2,707,044 pounds, of which 1,419,153 went to Europe, 618,978 to Chili, 303,148 to Peru, and 365,763 to the United States. These figures are obtained from private sources, but I think they are correct.

Prices.—The coffee crop begins to be marketed in June, and the selling season lasts from that time until December, although sales are made throughout the year. In June, 1885, the prices were for first-class coffee 15 cents and for second-class 14 cents, these being the highest quotations during that year, the lowest being 14 and 9 cents, in September. In 1886 the highest quotations were in April, May, and November, 13 and 12 cents, and the lowest in September and October, 10 and 9 cents. This year the highest quotation was in July, 35 cents for the first quality and 33 cents for the second; the lowest prices were in January and February, 18½ and 17½ cents.

Monthly quotations of the prices of coffee at the port of Guayaquil during the years 1885, 1886, *and* 1887.

[These quotations are expressed in the sol or sucre, which is equivalent to 75 cents in American money.]

Months	1885.		1886.		1887.	
	First class.	Second class.	First class.	Second class.	First class.	Second class.
January	$13.50	$12.50	$12.00	$11.00	$18.50	$17.50
February	13.50	12.50	12.00	11.00	18.50	17.50
March	14.50	13.50	12.50	11.50	20.00	19.00
April	13.50	12.50	13.00	12.00	20.00	19.00
May	14.50	13.50	13.00	12.00	20.00	18.00
June	15.00	14.00	11.00	10.00	20.10	18.00
July	14.50	13.50	12.00	11.00	35.00	33.00
August	11.00	10.00	11.50	10.00	22.00	20.00
September	10.00	9.00	10.00	9.00	28.00	27.00
October	11.50	10.50	10.00	9.00	27.00	26.50
November	13.00	10.75	13.00	12.00	27.00	26.50
December	12.00	11.00	12.50	11.00	.....	.....

Quality and grades.—There are only two grades of coffee known to commerce here, and these are described simply as first-class and second-class. The first-class is of greenish and the second of grayish color, the size of the berry being the same in both grades. There is also a small grain, mostly consumed in the country, nearly round, of an olive-green color, and a little more than half the size of the grades first mentioned. It is considered by the natives to possess a better flavor than other qualities, and brings a higher price for local consumption.

Preparation for market.—After the coffee is picked it is placed in heaps, where it remains from three to five days, in order to allow it to ferment and the pulpy part of the berry to rot. It is then spread out on split cane, or on the dry ground in the sun, to dry from three to four

weeks, being covered at night to protect it from the dew. When thoroughly dried it is cleaned and prepared for market in the following manner: About 30 pounds are put into a mortar made of the trunk of a tree, standing 3½ feet high, with a beam 30 inches in diameter and 18 inches deep. It is then pounded with a pestle made of lignum-vitæ, 4 feet long, and having a grooved head 4 inches square at one end and 3 inches square at the other, both ends being used alternately. This process is continued until all the husks have been stripped from the bean. It is then winnowed by being scooped out and dropped back into the mortar while being fanned with a fan made of buzzard feathers. Another method is: A circular wooden trough, almost 6 inches wide and 4 inches deep, with a circumference of 70 feet; in the center of the space which it incloses is arranged suitable shafting connected with a large, heavy, wooden wheel, which is made to revolve by horse-power, vertically, in the trough. The coffee being put in the trough, the constant pressure and friction of the wheel grinds the husk to powder, after which it is winnowed by a fanning machine, or with the buzzard fan, as above. In a few places there is regular coffee-hulling machinery employed, but the foregoing are the methods in general use.

Within the last few years a variety of the coffee bean has been introduced from Liberia and grown to a limited extent. It is said to be remarkably prolific, each tree yielding two or three times the quantity of the native tree. This foreign variety grows only in the low lands.

OWEN MCGARR,
Consul-General.

UNITED STATES CONSULATE-GENERAL,
Guayaquil, November 21, 1887

PARAGUAY.

The coffee of the country is of an excellent quality, although its flavor is somewhat bitter. At present it is grown on a very limited scale, owing to the scarcity of capital and to the length of time which is requisite before the cultivator is able to reap any benefit. It is calculated that, on the average, a period of five years or so must elapse before coffee plantations are ripe for their first harvest.—(November 15, 1882, Mr. Vansittart.)

PERU.

LAMBAYEQUE.

REPORT OF CONSUL LAPOINT.

Production.—The production of coffee in this district may be estimated at from 4,000 to 5,000 quintals per annum, of which a little over one-fourth is shipped to other parts of Peru, to England, and Germany, the remainder being consumed in the district.

Exportation.—From a report published by the customs authorities, it appears that the following amounts were exported during the first quarter of 1887: To Germany 2,728 kilograms, and to England, 2,030 kilograms.

Prices.—The prices paid are 20 to 25 soles (the sole equals to 72.7 cents American) per quintal, and for superior quality 30 soles.

Cultivation.—The cultivation of coffee in this district is very limited, and only at distances of from 25 to 50 leagues from the coast. The

land there is well adapted for its cultivation, but owing to the difficulty of transportation to the coast and the low prices prevailing, it is not carried on in a large scale.

Quality.—The quality is generally considered very good, some being considered the best produced in the world. For instance, the grade called caracoli, grown on a hacienda near Guadaloupe, is superior to any I have ever seen.

Some trials of raising coffee in the sugar belts and near the coast have been made, but either the cost of production was too great or water for irrigation too uncertain, and the cultivation was abandoned. The quality of the coffee produced was very good.

The coffee-producing districts being in the interior of the country, I am unable to give any details concerning its cultivation and preparation for market.

ALFRED LAPOINT,
Consul.

UNITED STATES CONSULATE,
Lambayeque, December 12, 1887.

REPUBLIC OF COLOMBIA.

*REPORT OF CONSUL-GENERAL WALKER.**

Cultivation.—The coffee seeds are sown in raised beds, and the young plants cultivated in the same manner as young apple and other plants in nurseries in the United States. When eight months or a year old they are transplanted, in rows from 5 to 6 feet apart, in carefully prepared virgin land. Two years later they begin to bear, but do not attain to full bearing capacity until they are four or five years old, after which they continue to bear for twenty years or more, according to climate and soil. On each acre there are planted from 1,000 to 1,100 trees.

It is estimated that the cost of preparing the land, setting out the trees, keeping down the weeds and grass until the tree begins to bear, is about 10 cents per tree, or $100 per acre. Much of the coffee land of large plantations is cleared and planted at a very small outlay of money by the owners, through the system of leases to landless neighbors of small tracts for raising corn, etc. Taking the land at a mere nominal rental, the tenant binds himself that before the expiration of his lease he will clear and plant in coffee trees, without expense to the owner, a certain proportion of the tract.

After the crop has been gathered, the branches that bore are lopped off to give place to new growths for the next season's crop, the same branches bearing but once. Fruits grown in this equatorial region, such as the orange, plantain, mango, and coffee, have no special season for ripening, and flowers and fruit in all stages of bloom and development are seen on the same tree at the same time. It is generally considered in Colombia, however, that the period about Christmas marks the close of the principal season for gathering and preparing the coffee crop for market, and St. John's day (June 24) for the minor crops. The process, more or less, however, goes on through the year.

Product.—It is estimated that the yield per tree for the December gathering is about 1 pound of merchantable coffee, and about one-half that amount for the June gathering.

* For the departments (lately States) of Cundinamarca, Boyacá, and Santander.

Area under cultivation, etc.—I have no data at hand to enable me to give more than an approximate estimate of the area under cultivation, or that capable of being brought under cultivation. The country now producing coffee is confined to the departments (lately the States) of Cundinamarca and Santander, with a probable total area of 120,000 square miles. Comparatively a small portion of this, however, is suitable for coffee-growing, for the reason that it can not be grown profitably except on lands having an altitude of 3,500 to 6,000 feet above sea level. Unsuccessful attempts have often been made to grow this profitable crop on the rich alluvial lands of the Magdalena and other rivers, having only a few hundred feet elevation above sea level. Equally unsuccessful have been the experiments to grow it on the rich "savanna" of Bogota, which has an average elevation of 8,500.

The department (lately the State) of Boyacá, lying between Cundinamarca and Santander, along the same cordillera of the Andes, has a probable area of 40,000 square miles. In climate, soil, and altitude, the conditions there for coffee production are as favorable as are the departments on either side thereof, but, owing to its sparse population and the absence of roads, scarcely any coffee, except a small quantity for home consumption, is produced. There are numberless valleys in that department lying along the main range of the Andes and its lateral spurs where all conditions are most favorable for the production of coffee. Efforts are being made to open a road from Tunfa, the capital of the department, to the Magdalena River, which, if successful, will give a great impulse to the production of coffee in that section.

Not only in Boyacá, but in Cundinamarca and Santander as well, are there large unused areas, having the mid-altitudes, between the extremes of *tierras calientas* and *tierras frias* (the hot and cold regions), well adapted, in many respects, to the production of coffee of a superior quality. In fact, it may safely be assumed that not 5 per cent. of the area suitable to the production of coffee in those departments is under cultivation.

In Cundinamarca, of which Bogota is the capital, coffee cultivation is almost wholly confined to four inconsiderable valleys lying midway between the savanna of Bogota and the Magdalena River, viz: Analaima, with about 400,000 trees; Colegio, with 600,000 trees; Fusugusuga, with 800,000 trees; and Sasaima, with 1,300,000 trees—a total of about 3,100,000 trees, occupying an area of about 3,000 acres.

Production, consumption, and export.—There are no statistics to be had on these points, consequently I am unable to give more than approximate amounts under these heads.

From the best information I have been able to obtain, I conclude that the production of coffee in Cundinamarca is not far from 5,000,000 pounds annually, of which about 10 per cent. is consumed in the country and the remainder exported, about two-thirds to the United States and one-third to England, through the ports of Barranquilla and Carthegena. In Santander the production is more than double that of Cundinamarca, probably reaching a total of 12,000,000 pounds. Of this amount probably one-half finds a foreign market by way of the Magdalena River and the port of Barranquilla, while the other half goes to the port of Maracaibo, Venezuela, via the Zulia River and Lake Maracaibo, thence mostly to New York by the "D" line of American steamers.

Prices.—It is not easy to give correctly the ruling job prices of coffee in this country, for the reason that transactions in this staple are invariably in Colombian currency, which is constantly fluctuating in value, so that to know what coffee was worth at any given time in this

market, in jobs, it would be necessary to know not only what it was selling for in foreign markets, but what was the rate of exchange at the time on London and New York. At present the rate of exchange on New York is 185, so that coffee at the price of 19 cents gold is locally worth 35 to 36 cents per pound in Colombian currency. The following figures, however, give the approximate prices for the last four years, per pound, in gold: 1884, 12 cents; 1885, 14 cents; 1886, 16 cents; 1887, 19 cents.

Quality, grade, etc.—There seems to be no essential difference in the quality of the coffee produced in Cundinamarca, except that in some seasons the grain is larger than in other seasons, and that producers, in preparing and sacking their crop for market, reject the dark and very light and imperfect grains which are sold for home consumption. Dishonest dealers, but the planters never, sometimes defraud the unwary purchaser by introducing from 20 to 40 pounds of the inferior quality into the middle of the sack of superior quality. This is rare, however, and Bogota coffee commands in foreign markets the highest price, I believe, of any produced in South America.

Preparation for market.—It may be said that the methods of preparing coffee in this country for market are essentially the same as those in use in other coffee-producing regions, except, perhaps, that the planters of Cundinamarca, being an exceptionally intelligent class of producers, make a more enlightened use of machinery than do producers elsewhere.

The process of preparing the coffee for market may be briefly recited thus: The berry, resembling the cherry when ripe, is gathered by hand and put into a hollow copper cylindrical grater, which is kept clean by a stream of water and rapidly rotated by steam-power. When the pulp is sufficiently removed, the grains in a wet condition are placed on platform cars, so arranged that they may be run under cover in case of rain. When the mass is sufficiently dry it is removed to the drying-house, where artificial heat is applied until all moisture is evaporated. The grains are then transferred to the "huller," an American invention, and the thin filament adhering to the grains removed. From the huller it comes clean and bright and ready for sacking. There are, however, a great variety of machines in use, according to the fancy of the planters, but they are nearly all modifications of those herein described.

The small producers, of whom there are a great number, not having the means for purchasing expensive machinery, are compelled to use more simple methods. In the first place, they have to depend entirely upon the drying power of the sun, and for the removal of the filament adhering to the grains to the vigorous application of hand pestles in large wooden mortars. Perhaps 44 per cent. of the coffee produced in Colombia is prepared in this manner. These small producers are generally dependent upon the larger producers in their neighborhoods for advance of money and supplies for the support of their families, while their crops are growing, and, when they are gathered and ready for the market, turn them over to the *haciendado* to pay for the advances. The consequence is that these small producers are perpetually in debt, and thus have little chance to improve their condition, while the large producer is able to command the coffee product of his entire neighborhood.

JOHN G. WALKER,
Consul-General.

UNITED STATES CONSULATE-GENERAL,
Bogota, December 13, 1887.

BARRANQUILLA.

REPORT OF CONSUL VIFQUAIN.

There is no coffee raised in this consular district, except small lots in a few haciendas. It is not raised for export, but such as is gathered is consumed on the plantations.

Climate.—Colombia is divided into three distinct vegetation zones; the first is called the warm zone, with a temperature of from 71° to 93° F.; the second, the temperature of which is from 63° to 75° F., is called the temperate zone, and the third, with a temperature of 40° to 68° F., is called the cold zone. There are, however, places where it is much warmer than the temperature noted for the "warm zone," the mercury running in those places as high as 114° to 120° F. There are other portions of the Republic of perpetual ice and snow. The warmest places are inhabited, but the condor alone reigns in the ice regions.

The second, or temperate zone, is that in which the famous coffee plantations are found at an altitude of from 3,000 to 7,000 feet. This coffee zone being outside of my district I have no means of securing any statistics in relation thereto. Baccavamanga and Cuenta are the great coffee centers of the Republic, and our consular agents at those places will doubtless supply the information required by the Department.

At Papayan, in the Cauca Valley, some coffee is raised which is equal to the very best. The little of this which is exported goes to England. Papayan is in the district of the agency at Buenaventura, on the Pacific.

Exports.—During the fiscal year 1886–'87 the exports of coffee from this consular district amounted to about 100,000 sacks, or about one-third of the total exports from Colombia. The bulk of the coffee shipped from this place, say 19 to 1, was shipped to the United States, the remainder to England and France.

Prices.—At present coffee ranges very high—$85, Colombian currency, for 250 pounds, a rise of over 20 cents since the 1st of February last. The price of coffee is invariably fixed in the coffee districts. There is not a class of farmers anywhere more resolute and independent than the coffee farmers of Colombia. Whether this is due to mountain life and the coffee they drink, or to some other influence, I am unable to say.

The supply is well-nigh exhausted, and the new crop, which, I hear, promises to be fair in quality, but not as large in yield as usual, will not begin to move until January.

VICTOR VIFQUAIN,
Consul.

UNITED STATES CONSULATE,
Barranquilla, October 1, 1887.

PANAMA.

REPORT OF CONSUL-GENERAL ADAMSON.

Coffee is not grown in the department of Panama as an article of commerce, or even to any extent for home consumption.

Only the coast lands and foot-hills of this isthmus are inhabited to

any extent by civilized people, and such lands are not favorable for the development of a good flavor in the coffee berry.

The climate is so excessively moist that the berries can not be cured.

THOMAS ADAMSON,
Consul-General.

UNITED STATES CONSULATE-GENERAL,
Panama, September 26, 1887.

URUGUAY.

REPORT OF CONSUL HILL.

Coffee is not cultivated or produced in the Republic of Uruguay, the entire consumption being supplied by importation.

Coffee imported for the years 1884 *and* 1885.

	Quantity.	Value.*
	Kilograms.	
1884	993, 626	$226, 143
1885	1, 042, 836	257, 259

* United States gold.

EDWARD J. HILL,
Consul.

UNITED STATES CONSULATE,
Montevideo, Uruguay, October 31, 1887.

VENEZUELA.

MARACAIBO.

REPORT OF CONSUL PLUMACHER.

It is a matter of great difficulty to secure reliable agricultural statistics, as land measurement thoughout the greater part of the interior of Venezuela is either practically ignored or accomplished in such an imperfect manner as to be of but little service to the investigator.

The estimates, however, which I give as to acreage and average production are not far out of the way, while the statements as to exportation, consumption, and average prices may be taken as sufficiently correct.

Production.—According to the method of cultivation practiced in this district each coffee tree produces on an average about 1 pound of the cleaned berry, and as the trees are planted say 8 feet apart an acre will contain 680 trees, or in round numbers the average production may be givin as 700 pounds of marketable coffee to the acre, and the entire area at present under cultivation, calculating by the amount yearly produced, will sum up about 45,000 acres.

This area could be greatly increased, as nearly the entire back country is suitable for coffee cultivation, and I am quite sure that 2,000,000 acres, or even more, could be made available for the purpose in this district alone.

Exportation.—During the twelve months ending September 30 of the present year there were exported from Maracaibo to the United States 36,000,000 pounds. From this amount must be deducted 6,250,000 pounds as being of Colombian production and sent to Maracaibo for shipment. This leaves 29,750,000 pounds, to which should be added 1,000,000 pounds consumed locally and 1,250,000 pounds sent to other countries than the United States, making a total production in this district of 32,000,000 pounds.

The United States, as will be noticed, takes the crop almost in its totality, the comparatively small quantity sent to other ports going to Germany and France.

The European market is supplied from La Guayra and Puerto Cabello, as the coffee there shipped, although really inferior to that from Maracaibo, is preferred by Europeans in general on account of custom and of its resemblance to certain East Indian classes which for many years have been in use on the continent and in Great Britain.*

The absence of direct steamer communication between Maracaibo and Europe and the existence of this convenience at La Guayra and Puerto Cabello have also, no doubt, their effect upon shipments.

I beg to give a statement for a series of years of the exports of coffee from Maracaibo to the United States:

	Pounds.
1878	22,555,100
1879	22,300,335
1880	23,678,040
1881	27,800,426
1882	31,627,051
1883	29,943,788
1884	33,748,662
1885	27,616,023
1886	35,581,770
1887 (first nine months)	27,929,917

Prices.—Prices during the selling season:

		Gold.
1878	per 100 pounds..	$13.00
1879	do....	12.00
1880	do....	11.50
1881	do....	9.50
1882	do....	9.00
1883	do....	8.50
1884	do....	8.50
1885	do....	9.00
1886	do....	10.00
1887 (to September 30)	do....	14.00

The above table, which is compiled as an average for each year of both the superior and common grades shows a steady fall in values until the latter part of 1885. Prices then began to improve, and in the early part of 1887 the outlook commenced to be sufficiently encouraging, and at present coffee is selling in Maracaibo at from $14 to $17, gold, per 100 pounds.

Origin.—In 1710 a plant was brought to Amsterdam, Holland, from Java and placed in the botanical gardens. It thrived well and from it cuttings were taken to the Dutch colony of Surinam and from there to Berbice and Demerara, which were then under the rule of Holland. The jealous system then pursued by that nation in reference to her colonies caused her to steadily refuse to give cuttings to her neighbors, but finally a Frenchman managed to abstract from the botanical gardens

* See introductory letter, p. 20.

at Amsterdam a single shoot. This was taken to Paris, and in 1720 a French officer named Declieux, with one small plant, sailed for the West Indies.

The voyage was long and the supply of water so diminished that all on board were placed upon reduced rations.

Declieux, in order to save his precious burden, watered it daily from his own allowance, preferring to endure thirst rather than fail in his enterprise.

Martinique was at last reached and the plant successfully set out, and from it have sprung all the plantations of Guadeloupe, Jamaica, Porto Rico, Hayti, Cuba, the Lesser Antilles, Central America, and all South America, except the Dutch possessions.

Quality.—The term Maracaibo coffee is a generic expression including all the coffee exported from this port, but which is produced in different localities of the interior, as near Maracaibo itself there is none grown on account of the excessive heat, want of elevation, and unsuitability of soil.

The different classes of Maracaibo coffee named from the places of growth are Cucuta, Merida, Tovar, Breono, and Trujillo. The Cucuta is by far the best grade, resembling Java, and it is frequently sold as such in New York, either mixed with pure Java or alone. In fact, the empty Java mats are taken and filled with Cucuta coffee, which has attained a certain age and the consequent yellowish tinge, and this is sold to consumers as the genuine product. The Merida coffee is but little inferior to Cucuta, and the Tovar and Breona are fair grades, while the Trujillo is of a rather poor quality, carelessly cleaned and prepared, and commands low prices.

The quality of all Venezuelan coffee could be improved and production increased by more care in planting and cultivation, and by the introduction of better machinery for preparing the berry for market. Nurseries should be formed with selected seed and the seedlings carefully transplanted upon attaining a proper size. A distance of 8 feet between the mature trees, which sometimes reach a height of from 18 to 20 feet, is too little, especially in a country like Venezuela, where land is to be had for the asking, and where economy of space is hardly an object.

Planting.—The usual system of planting here is to take up the shoots that have sprung from fallen berries under the trees, but in this way there is naturally no selection of perfect and healthy seed, and a plantation thus set out may make a bad start with diseased or inferior trees, affecting both the quantity and quality of the crops and the longevity of the plants. Lack of proper weeding and cleaning is also a drawback, as with a carpet of grass and weeds throughout a plantation much coffee is lost during the harvesting, and the trees naturally suffer from suffocation.

Were our growers to commence with carefully arranged nurseries, the trees set a distance from each other of 12 or 14 feet, the plantation kept thoroughly clean and given an occasional supply of fertilizers, I believe that, with the same number of trees as now, at least threefold the amount of coffee could be harvested and the quality improved, especially as it seems to be a peculiarity of this product that the larger the crop the better the grade, and *vice versa.*

Preparation.—The methods in vogue here of preparing the berry after gathering admit of vast improvement. On the smaller estates there is no machinery whatever, and after spreading and drying the newly picked coffee, the pulp, which, in everything but taste, resembles

much that of the cherry, is separated from the grain by pounding in wooden mortars. On the larger plantations a rude machine, called the "trilla," is used. This consists of a circular space inclosed by a wall, about 2 feet high, within which, around the diameter of the circle, is propelled by horse-power a heavy wheel, which in its progress crushes the pulp from the grain.

Improved machinery would be of great service to our coffee-growers. Brazil, which is the great rival of Venezuela, is far ahead in that respect.

REVIEW OF THE VENEZUELAN COFFEE TRADE.

The coffee industry, which is the life of this country, has suffered many vicissitudes since my arrival at Maracaibo, and at times the feeling among growers has been one of utter discouragement.

I will quote from my former dispatches:

[Extract from dispatch No. 75, of March 9, 1881.]

It is quite common to hear it stated that the large Brazilian crops so fill the markets that prices must naturally be reduced to a minimum, but the Brazilian planters and merchants have not suffered so much from low valuations as have the people of this country. The coffee of Brazil is not superior in any way to that of Venezuela, and particularly of this district, but owing to the greater care taken in preparing it for export it commands a better price.

Here, generally speaking, the fault begins with careless harvesting, all the berries, ripe, decayed, withered, and green, being heaped together, with scarcely no attempt at sorting or separation. The drying is mostly done on the bare ground, resulting in the gathering up with the coffee of a goodly proportion of small stones and dirt, which all goes to market, where, as there is always much competition among buyers, it is readily sold.

This is not so much the fault of the producers as it is of the buyers in the coffee regions, or at the ports of embarkation, who permit such a slovenly system to exist.

While Brazil is importing machinery for the better preparation of coffee, and has even commenced its manufacture, Venezuela, and particularly this district, is at a standstill, and while in some localities care is exercised in the preparation of the berry for market, yet the quantity thus treated is very limited. A great drawback to the growers is the want of good roads to the coast. Transportation costs so much as to almost destroy the possibility of profit, and many agriculturists have now become so disheartened that in various localities the coffee plantations are being destroyed to make room for other industries.

[Extract from dispatch No. 196, of January 10, 1883.]

The steady decline of the price of coffee in foreign markets having ultimately reached a figure absolutely below the cost of production and shipment, has caused great embarrassment and financial distress.

Notwithstanding the continuous losses entailed by transactions in this product, the Maracaibo houses have not the option of withdrawal, as, in order not to lose all they have advanced in money and goods to interior merchants and planters, they are obliged to take their payment in coffee and dispose of it at as little sacrifice as may be possible.

The great expense attendant upon the transportation of coffee from the producing regions to the coast is one of the prime reasons of the unprofitableness of the industry, and I beg to submit certain data respecting it, taking as a starting-point the district of which the city of San Cristobal is the center, and in the heart of the coffee region. In that city about 3¼ cents in American money is paid to the growers for each pound of coffee, this barely covering the cost of production. The transportation to Maracaibo, which is very indirect, necessitating entrance into Colombia, and from there again into Venezuela, and the various expenses for bags, insurance, etc., amount to 10 pesos, or $7.69 in United States gold, as detailed in the following table:

	Pesos.
Bags	0.62
Sewing, etc	.13
Freight to Cucuta, Colombia	1.50
Dispatch frontier custom-house	.13

Storage at Cucuta	.50
Freight from Cucuta to port on the river Zulia	2.50
Storage at port	1.25
River freight at Maracaibo	3.00
Insurance	.15
Cartage, etc., at Maracaibo	.22
Total	10.00

Add to this the first cost of 3½ cents per pound, and the coffee laid down in Maracaibo has already paid $16.44 United States gold per 250 pounds, or 2 bags, of coffee.

This is bad enough, but now is exemplified an ingenious way of adding to the burdens of agriculturist and exporter. By the constitution of this country export duties are prohibited, but this requirement is evaded by using terms other than "export duties," which, however, do not make them any the less burdensome.

For example, upon every 250 pounds of coffee exported there are the following official imposts:

1. To the hospital	$0.10
2. State duties	.20
(The State duties are explained as being for the use of the wharf.)	
3. Land customs	.90
4. Stamps and stamped paper	.10
5. Drayage, which is a Government monopoly	.30

Making a total of $1.60 in American money for every 250 pounds, which is more than 10 per cent. of the cost upon arrival at Maracaibo.

Add to this the freight to New York, and the incidental costs of disembarkation, and the coffee at present prices will not give returns equal to the expenses incurred.

[Extract from dispatch No. 410 of January 3, 1887.]

The amount of coffee exported in 1886 exceeded that of any other year since my arrival at this post in 1878, there having been shipped to the United States 35,581,770 pounds, having a declared value of $3,466,009.08 United States gold.

As the value of the shipments of all classes of produce amounted to only $3,736,675.58, the importance of the coffee trade is evident. It may be said, indeed, that it is the life of business, and that all industries and projects of progress depend more or less upon the price of this staple abroad.

Until within the past two months the demand in European and American markets was somewhat sluggish and prices correspondingly low, but the news of the partial failure of the Brazilian crop has given rise to much activity in business and brisk rivalry among coffee buyers here, as much as $15 gold per 100 pounds having been paid in this city. The coffee business, however, is very much of a lottery, especially as the large exporting houses are obliged to make heavy advances in the interior, which may or may not result satisfactorily, according to the uprightness of their debtors, the condition of the crop, and the state of the ever fluctuating foreign market. The absence of satisfactory telegraphic communication is also an obstacle to successful speculation.

At the extreme east of Venezuela there is a line running to Caracas, from a point opposite Trinidad, but no attempt has yet been made to lay a cable from that island to the Venezuelan coast, which would give this country telegraphic communication with the entire civilized world. Steamers from Trinidad run to La Guayra, bringing dispatches two or three days old, and these are forwarded by telegraph from Caracas to Maracaibo. This latter line, however, although new, is so badly managed that telegrams are frequently from fifteen to twenty days in their passage between the two cities, a distance of about 300 miles. Of course this mode of telegraphic communication is practically without value, and since its establishment the line has in no way benefited the mercantile interests of this section.

CONCLUDING RECOMMENDATIONS.

In conclusion I beg to state in brief the opinions which my experience has enabled me to form respecting the more important measures for the much needed amelioration of the coffee industry in this district:

(1) Care in planting commencing with nurseries of carefully selected seed and subsequent necessary cultivation, with absolute freedom throughout the plantation from grass and weeds.

(2) Care in harvesting. This is usually performed by task, a picker being paid, not by the day, but according to the amount of work performed. In this manner it constantly results that in order to make a good showing for his day's work, the picker hurries through the trees, stripping both green and ripe berries, breaking the tender branches, and in his slipshod haste to gather a large quantity in a short time he drops a large amount upon the ground, causing by the end of the season a loss of some magnitude, as in but few cases are the plantations kept sufficiently clean to make it expedient to consume time and labor in the recovery of the fallen grains.

(3) Care in preparation. There are two circumstances which militate against the observation of this very necessary requirement. One is the indifference of many of the growers themselves, and, all things considered, they are not so much to blame. The exceedingly extortionate system of advances upon crops, which for years has been practiced in the interior, has had the effect of making numbers of the poorer planters the virtual slaves of their creditors.

For example, the owner of a small coffee estate (and here there are comparatively few large ones) borrows, say, $1,000, giving as security a mortgage upon the property and compromising to sell his crops to his creditor at a fixed price, which is put at a low figure, rarely exceeding 8 pésos ($6.75 United States gold) per "carga" of 250 pounds. This price barely pays cost of production, and the grower finds himself bound hand and foot. A rise in the market price is of no service to him; nor is it to his interest to go to extra expense in the careful preparation of the berry. His crops are no longer his own, but another's, and he may tenfold the value of his original loan, with interest, in his deliveries of coffee and still be hopelessly in the hands of his creditors. It is possible that in the end he will also lose his plantation, as by the terms of this class of mortgage, called a "retrovente," the estate becomes in its entirety the absolute property of the holder of the mortgage should the time for foreclosure arrive and the debt not be totally paid, although there may be due but a small balance.

Many unscrupulous men, who can only merit the epithet of sharpers, have become rich in coffee districts by thus operating, but the system is ruinous, not only to the agriculturist, but also to the true interests of the industry.

The Government could do much, if it would, to improve this unsatisfactory state of affairs. Were banks to be opened, under control of the Government, where respectable agriculturists, even those on a small scale, could obtain loans on moderate terms, and where they would be treated with leniency in times of bad harvests or depressed prices, the usurers would lose their occupation. These banks should not be considered as source of profit, but as institutions for the public welfare, and the charges for loans should only be sufficient to pay expenses and a moderate interest upon the money thus invested.

Yearly prizes for superior production would also be a stimulant to careful cultivation and preparation, and the Government might even establish nurseries of seedling in various points under the charge of the local authorities, supplying in this manner, at a small cost, plants for opening new plantations or for restocking old ones.

But comparatively few foreigners are engaged in coffee culture, the industry being in the hands of natives of this country, who work for the most part on a very small scale. The climate of the coffee region, however, is such as to cause no inconvenience to persons accustomed to temperate zones, and were intelligent foreigners to devote themselves to this

industry the results would no doubt prove satisfactory. With their greater intelligence and enterprise better returns would be secured and scientific methods of cultivation and preparation introduced, especially in the matter of improved machinery. Even now, with the system of small estates, good machines might be introduced into the various coffee centers, not, it is true, by the growers themselves, but by the large exporting houses. The producers would then be able to take the coffee, as soon as picked, to the localities where the machinery may be established, and every operation, from pulping to packing, may be performed. This would obviate the necessity, which now exists, of assorting and rebagging at Maracaibo, a task which is productive of much trouble and expense.

The coffee grown in this district is without exception the "coffee Arabica," but there are sections near the coast where the "Liberica" would also probably flourish.

E. H. PLUMACHER,
Consul.

UNITED STATES CONSULATE,
Maracaibo, October 6, 1887.

SAN CRISTOBAL.

REPORT OF CONSULAR AGENT LALLEMANT.

Cultivation and production.—This section is one of the most important of Venezuela regarding the production of coffee, and it can be said that almost everybody here derive their maintenance directly or indirectly from this product, coffee being about the only one exported in any quantity of consideration.

Of course the low prices of coffee during the last seven years up to the past year have not failed to influence unfavorably the cultivation of this bean, and although it is not likely that the production has diminished, it has not increased, as the expenses on the exportation are so considerable that New York prices of 9 cents and 10 cents per pound scarcely cover the costs of the picking and preparation here. There is no doubt, however, that in consequence of the higher value which coffee has maintained during the last twelve months many people intend to cultivate a large area of yet uncultivated land, and as scarcely a quarter part of this section has been taken into cultivation and a good deal of arable land is adapted therefor, doubtless we shall see the production of this berry increase rapidly in the course of three to four years, the period which the plant requires to become productive.

I estimate the last crop at about 60,000 cargas, or 120,000 bags of 125 pounds each. As soon as I shall receive the statistic notes which I am endeavoring to obtain from the custom-house in San Antonio I shall be able to send an exact statistical table of the production and export during the last four or five years.

The area under cultivation of coffee is generally estimated at 23,500 acres; thus the average produce per acre would be about 639 pounds. Cultivation here is still on a very low scale, and scarcely any progress is to be observed herein. A coffee plant produces only half a pound of coffee at an average, while in other countries more advanced in civilization the produce of each plant is by far more important. The reason of this bad result consists principally in the circumstance that the trees are planted too close together, so that they do not receive the necessary

light and air; besides, the coffee plants must also have other trees to give them shade. Here the plants are left to grow and spread around naturally, the people taking no care to clean their plantations, which are often changed into scarcely penetrable thickets, which, of course, makes the picking of coffee very laborious. A good deal of coffee falls to the ground and is lost in consequence.

Exports.—The consumption of coffee in the section itself is of scarcely any importance, as the total population does not exceed 70,000 inhabitants. Almost all coffee produced is therefore exported.

There are three ways of exporting; all leading to Maracaibo and frequented according to the topographic position of the producing place, viz, San Antonio-Cucuta, Colon-Guámas-Pto Táchira, and Tovar Zulia.

The last is of no importance, the whole export by this way amounting scarcely to 500 bags. By the way of Colon-Guámas-Pto Táchira about 20,000 bags are exported annually. The rest goes via San Antonio-Cucuta. The costs from here to Maracaibo by either of the above routes is about Mex. $10 (equal to gold $7.69) per carga of 2 bags of 125 pounds each.

All coffee exported by this section passes through Maracaibo, and is forwarded from thence, with rare exceptions, to the port of New York, some trifling consignments being made to the European markets of Hamburg, Havre, Bordeaux, and Triest. As at least five-sixths of our coffee passes through Cucuta, it receives the name of Cucuta coffee, by which it is known the world over. It may be stated here that of the average 160,000 bags which Cucuta exports only about 60,000 bags are produced in the Colombian neighborhood of Cucuta; the rest, 100,000 bags, are Venezuelan (Táchira) produce.

Quality.—Of all the coffee exported by Maracaibo the Táchira (Cucuta) coffee is by far the best, and, as it bleaches very soon, it becomes very similar to Java coffee. There are only very slight differences in the qualities cultivated here, the size of the berry depending more or less on the topographical position where it is grown.

Preparation.—With rare exceptions the mode of preparing is a most simple one. After the berries are picked, which is generally done by women and children, they are spread out in large paved court-yards, and left there until the sun has dried them sufficiently. Being well dried, the berries are put into an apparatus to shell them, after which process the sound berries are separated from the black, broken ones. On farms of more importance they generally use for shelling large wooden wheels rolling in a circular wooden channel attached to a horizontal beam fastened to a central pole. On some farms combined wooden mortars with stamping pestles are used instead of the rolling-wheels, and it is said that the berries are damaged less by the pestles than by the wheels. For moving the machinery (maquinas para) mules, horses, or oxen are generally employed. In some parts, however, water-power is used. This is the mode of preparing the coffee in the haciendas of any consideration, but as there are many small farmers who only gather from 10 to 30 bags, and who are too poor to pave court-yards and erect complicated machinery, the manner of preparing coffee by them is still more simple. The coffee is spread out in any open place and shelled by hand in a simple wooden mortar, the coffee prepared in this way naturally being of a somewhat inferior quality. In some few farms they use washing machines for coffee (maquinas para dexeresar) and of course produce a superior quality, which is sold at $1 per bag more than the other. In this neighborhood the first drying apparatus (secador de Guardiola) has just been mounted and another

haciendado has ordered a second one. There is no doubt that they will give a very good result, but only rich farmers are able to purchase these machines. Nevertheless there are about four haciendados who gather more than 1,600 bags annually, and they probably will order these machines after convincing themselves of the advantages to be gained by their employment. A great drawback in bringing and ordering these machines is the bad roads here. All transfer business is done by mules, and each mule can only carry about 120 kilos. The machines have, therefore, to be brought in pieces, and these pieces often weigh more than a mule can carry, or the pieces are of such dimensions that they can not be brought by mules. In these cases the pieces are transported by gangs of men who bring them from Cucuta, the railway station, to the point of destination, by which the cost of transfer is considerably increased. Naturally farmers living distant from Cucuta can not think of bringing these machines, as the costs of transfer would be enormous.

The farmers here seldom export for their own account. They sell their coffee to the large commercial houses here, the latter in their turn exporting through their branch houses in Cucuta and Maracaibo.

J. A. LALLEMANT,
Consular Agent.

U. S. CONSULAR AGENCY,
San Cristobal, October 19, 1887.

LA GUAYRA.

REPORT OF CONSUL BIRD.

CULTIVATION.

Venezuela has a wide stretch of mountainous territory on her northern borders that is peculiarly well adapted to coffee cultivation; and, as it is considered that coffee raised upon the high lands is superior in quality, it is doubtless due to this fact that the La Guayra coffee is more esteemed than that of Brazil. While it must be admitted that the Java coffee has a more delicate flavor, yet it is insisted that the Venezuelan coffee is much stronger; and, with its decided flavor, it is fully appreciated by those who want a really good coffee. During a recent visit to the United States it was observed that the retail grocers displayed La Guayra and Caracas brands of coffee, a distinction about as clear as the difference between Charleston and South Carolina watermelons, since La Guayra and Caracas, being only 10 miles apart, receive and export the same grades of the article. The low sea-shore and valleys are generally devoted to cocoa and sugar, since from atmospheric causes they are not suitable for coffee, while the high table-lands and mountain-sides far into the interior and westward to the borders of Columbia are best adapted to the cultivation of coffee.

Planting.—In forming a coffee plantation the topography of the ground is not essential, since wherever a foot hold may be gained on the mountain side a coffee tree may be planted, even in the crevices of the rocks. About 1,500 feet above the level of the sea the vegetation begins to assume something like luxuriance, the soil is darker and richer, and the atmosphere cooler and rarer. These favorable conditions increase with the higher altitude; hence the soil and climate are all that the coffee

planter desires. After clearing away the forest growth, the young coffee plants of nine months old and about 18 inches high are set 8 feet apart. Between these rows of coffee trees, at a distance of 32 feet apart, are planted young forest trees of rapid growth, generally the Bucare, in order to shade the young coffee trees, since, for the first four years, they are delicate and not able to withstand the fierce summer sun.

Product.—At the age of three years the trees begin to bear moderate crops, and three years afterwards they attain their majority, and will thenceforth fruit well for twenty-five years. When they have reached this age it is the practice to remove them and again plant young trees. When the trees have reached maturity little or no cultivation is afterwards required. A coffee tree, under ordinarily favorable circumstances, bears an average of 1 pound of fruit at each harvest; so that, computing 676 trees per acre, the average yield would be 676 pounds per acre. The cost of drying, manipulating, and sacking for market is estimated at $5.40, American gold, per sack of 110 pounds, and the price in this market is from $14.40 to $16.94, American gold, per sack. But before counting the profit, it must be remembered that, owing to the utter lack of facilities of transportation, it often costs the coffee planter $5 to $7 dollars to bring a sack of coffee to market.

The coffee tree, in size and general appearance, nearly resembles the pomegranate tree of the Southern States, though the leaves are larger, greener, and more ovate. It has also the same habit of throwing up many shoots from the parent stem, all of which must be kept down to increase the vigor and fruitfulness of the main tree. When in full bloom, the trees are covered with a profusion of small snow-white blossoms. The general appearance of the coffee plantation at this time, though not as striking as a field of open cotton, is nevertheless quite as beautiful.

PREPARATION FOR MARKET.

Coffee, in this market, is classed as follows:

Descerezado.—This is the clean, bright-green coffee of commerce, and is highly esteemed in Europe and America. When gathered from the trees it is carried directly to the hulling machine and cleaned; after which process it is thrown into a tank of water to be washed, where it is allowed to remain for ten hours and afterwards dried.

Trillado.—This coffee, after being gathered, is exposed to the sun, and when thoroughly dry is thrashed and cleaned. It is asserted that coffee loses something of its essential oil when washed, and consequently this class of the article is preferred to any other by many persons who have raised and handled it.

Caracoles.—This variety is commonly known in the United States as *peaberry* coffee, the grains being small and round. It is selected from the other coffees, and, although preferred by some, it is difficult to say in what essential point it differs from the other coffees.

Pasilla.—This comprises the black, broken, and defective grain, and such as has suffered from exposure or improper preparation. Sometimes a very fair coffee may be selected from this grade, but its appearance is such that it is neglected, and it is only after it has been roasted and ground in the mills that it is admitted to the table of those who fancy that they are using the best grade.

MISCELLANEOUS REMARKS.

It is perhaps not generally known that coffee greatly improves with age, but this fact is insisted on by those who have had large experience

in the matter. It is also a common remark amongst Venezuelans that it is difficult to get a cup of good coffee in the United States, and Americans who have spent some time here are disposed to agree with them, as prepared here from fresh roasted and ground coffee, it is pure, clear, black, hot, and of rich aroma, and served with boiled milk and pure cane sugar.

Beyond the meager statistics herewith presented, it is impossible to offer any reliable figures in reference to coffee. The Government of Venezuela devotes little time or attention to such details, and therefore any estimate of the area under cultivation, the total production of the country, the home consumption and the export from all the ports would be merely a question of speculation, without facts or figures to support it. While it is, for like reasons, impossible to estimate the area capable of being brought under cultivation, yet it is a fact that, owing to the lack of population and the immense tracts of virgin soil, the cultivation of coffee in Venezuela may be very greatly increased and extended. But the low price of coffee for the past few years has not only checked the increase of cultivation, but also caused, to some degree, an abandonment of the industry. The merchants and traders of this country, composed in large part of foreigners, would contribute, in any reasonable way, to the increase of coffee cultivation, but the natives on the plantations, who curb their wants so well that they care for little more than a tropical suit of white cotton cloth and a sufficiency of the spontaneous food products of the soil, would not be very much inclined to sustain such efforts.

Value of exports of coffee from the port of La Guayra to countries other than the United States, from 1882 *to* 1886, *inclusive:*

To—	1882.	1883.	1884.	1885.	1886.	Total.
England	.....	.....	$120, 721. 69	$153, 328. 46	$123, 145. 00	$397, 195. 15
France	.....	.....	568, 055. 55	595, 300. 01	369, 122. 15	1, 532, 477. 71
Germany	.....	.....	744, 541. 12	704, 801. 84	865, 507. 92	2, 314, 850. 88
Other countries	.....	.....	9, 527. 44	98, 590. 77	90, 480. 33	198, 598. 54
Total	$3, 150, 031. 74	$2, 355, 312. 75	1, 442, 845. 80	1, 552, 021. 08	1, 448, 255. 40	.....

Declared value of exports from the consular district of La Guayra to the United States, from 1881 *to* 1886, *inclusive.*

In American gold:

1881	$866, 687. 09
1882	1, 154, 860. 86
1883	778, 811. 54
1884	869, 674. 55
1885	1, 016, 836. 35
1886	996, 173. 50

WINFIELD S. BIRD,
Consul.

CONSULATE OF THE UNITED STATES,
La Guayra, November 11, 1887.

CIUDAD BOLIVAR.

REPORT OF CONSUL UNDERHILL.

Cultivation.—No information can be given on this point, as no coffee is cultivated in this district.

Consumption and export.—The consumption does not exceed 7,000 bags per year, and the export amounted this year to 11,000 bags, the most important purchasing nations being the United States and Germany.

Prices.—During the year prices have ruled from $22 to $24.50; last year, $9 to $12.

Preparation.—For the reason already stated no information can be had respecting the peculiar modes of preparation practiced which may affect the grades or quality of coffee shipped here.

GEORGE F. UNDERHILL,
Consul

UNITED STATES CONSULATE,
Ciudad Bolivar, December 15, 1887.

CUMANA.

REPORT BY CONSULAR AGENT ROMBERG.

Cultivation.—The area under cultivation is about 11,000 acres. This includes about 2,800 acres in trees not yet producing. The area capable of being brought under cultivation can not be estimated; it is very extensive.

Production.—The yield per acre is estimated at 180 pounds. The total product of the district is estimated at 15,000 quintals per annum (1,515,000 pounds).

Exportation.—The home consumption is about 3,500 quintals (141 pounds to a quintal), leaving for export 11,500 quintals, which is disposed of as folllows:

	Quintals.
Exported to France	8,938½
Exported to Curaçao	205
Exported to Trinidad	41½
Shipped to La Guayra and other home ports	2,315
Total	11,500

Prices.—Prices in Cumana are dominated by those ruling in La Guayra, varying from $1 to $2 per quintal less than those which prevail at that port. The prices this year went up from $14 to $20. The actual price here now is $18 per quintal.

Qualities, grades, etc.—The coffees produced in this district are all classified as of superior quality, but, owing to the mode of preparation, it is sold at from $1 to $2 per quintal less than coffee prepared in other portions of Venezuela. Were the coffee grown here properly prepared it would realize the highest price paid in the country.

J. G. NUNEZ ROMBERG,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Cumana, December 6, 1887.

PUERTO CABELLO.

REPORT OF CONSUL BURKE.

Climate.—It is asserted by persons who have had experience in the growing of coffee that the climate of Venezuela is not as favorable to the growth of the tree as is that of Brazil or Central America, conse-

quently a less number of pounds is produced on the same number of trees here than in the places mentioned above. Others claim that with the same care bestowed upon its cultivation as in the other countries as fruitful a bearing would be the result.

Cultivation.—The coffee berry is sown in beds or drills in order to obtain the plants for setting out. When the plants are about 1 foot in height, as many as are required are taken up and set out from 6 to 9 feet apart. On the uplands, however, the plants are set closer than on the plains.

The soil in most cases is not plowed or otherwise prepared for the setting of the plants, except digging up and loosening a little with a large hoe or a machete the particular spot wherein the plant is put; nor at any subsequent time is the soil between the trees plowed or cultivated on the majority of the haciendas. The grass and weeds are cut once or twice a year with the implement used for nearly every purpose—the machete. As soon as the young coffee tree is set, other trees, larger, are placed as a shade to protect it from the heat of the sun as well as to afford it additional moisture in the dry season. The tree requires a great deal of water and much shade. Exposure of the berry to the sun turns it black the same as if it were picked and dried when green. The banana tree was used formerly for shade, but as it was found to extract too much moisture from the soil, to the detriment of the coffee tree, other kinds of trees are now used for the purpose.

Irrigation is employed to some extent. This is especially the case on the haciendas between Valencia and Caracas. The water is conducted through canals from the rivers and mountain streams.

In the fourth year from the setting of the tree it begins to bear, and is considered in its prime from the fifth to the twelfth year. The tree should be pruned so as not to exceed 12 or 15 feet in height, though on many plantations, through neglect, it is allowed to grow to be 20 feet and upwards.

Product.—If proper care and attention are given to the cultivation and pruning of the hacienda each tree ought to yield from 1½ to 2½ pounds. The average product per tree is, however, about 1¼ pounds. In Costa Rica and other parts of Central America it is said to be about 10 pounds to the tree.

The average product per acre is based on the average yield per tree. There being on an average about 875 trees to the acre with 1¼ pounds to the tree, the product per acre is nearly 1,100 pounds. This is the estimate throughout the States of Lara and Carabobo, the richest coffee-growing States in the Republic. The greater part of Lara with all of Carabobo and portions of the States of Falcon and Zamora are in this consular district, together with some of the territories that extend south of the Orinoco to Brazil.

Area under cultivation.—I have been unable to find any statistics covering this point. An approximation may, however, be obtained in this way: Taking the amount exported to different countries from this port and the average yield per acre, there are found to be under cultivation about 24,250 acres. To this must be added the amount consumed in the State and parts of States before mentioned. According to the estimated number of families, allowing 2 pounds per week average for each family, there would be an additional acreage of about 16,500. There is also an additional acreage which can not be approximated for the amount of coffee raised in this district and delivered at Maracaibo and other points along the coast more convenient for shipment. It is seen, there-

fore, that the whole number of acres under cultivation can not be given with any greater degree of exactness than above stated.

Exports.—The information given under this head is taken from the custom-house at this port, except the shipments to the United States, which are summed up from the consular invoices. The time these figures cover is the year ending December 31, 1886. During this time the amount of coffee shipped to the different countries was:

	Pounds.
England	1,350,199
France	4,069,441
Germany	5,559,511
Holland	2,611,912
United States	13,099,602
Total	26,690,665

Of this amount it may be observed there was shipped to New York nearly half, or 13,099,602 pounds.

Home consumption.—According to the approximate acreage allowed above, some 18,000,000 of pounds are used in this district during the year. This is based on information received from different families as to the amount consumed by them per week.

Of the amount consumed, estimated as above, and exported from this port, as known, the production is 44,690,665 pounds. How much actually raised in this district is shipped from other ports is an unknown factor.

Prices.—During the year 1883 the range was from 5½ to 10 pesos per quintal, the value of the pesos in United States gold being $76.92.

The prices in other years per quintal were as follows:

	Pesos.
1884	7 to 12
1885	5 to 10
1886	8 to 22
1887	14 to 27

GRADES AND MODES OF PREPARATION.

Picking.—The picking usually begins in October and continues till January. The time of ripening is dependent upon the time of blossoming, and this again is governed by the season. Trees in healthy condition begin to blossom in February, March, or April, depending on location and season; trees upon the higher lands blossoming later than those on the plains are consequently later in coming to maturity. Not unfrequently trees blossom a second time in May on account of blight striking the first blossoms. This second blossoming is called *Flora Mayo.*

When ripe the pod containing the coffee berry is a sort of pulp of reddish color. This being removed there is found an inner covering called *senesa.* On the *senesa* being stripped off the coffee berries, two in number, become separated. Very frequently a pod is found having but one berry in it. This one-berry coffee is called *caricole* and is principally met with on old plantations. In size it is smaller than the berry in the two-berry pod. It is estimated there is about 7 per cent. of *caricole* on all trees.

The coffee being taking from the tree it is placed in *patios* to be dried by the sun.

Drying.—If in the berry with a good sun it requires from fifteen to twenty days for drying. If the pulp is removed about one-half the time is required. If dried in the pulp it is unwashed. If the pulp is removed

it is washed and is then called coffee *descerezados*. Coffee *trillados* is also washed. After drying the grade is affected only by the process of cleaning.

Cleaning.—One of the old methods of cleaning before the introduction of machinery was to place the coffee berries in a *mortero* and stir it about with a pestle. Another method was to place it in a strong box, or in mason work, in which was a stone wheel so adjusted as to be made to revolve by attaching a burro or donkey to a shaft connected thereto, the movement of the coffee by the revolution of the wheel serving to hull and winnow it. Other methods were to use a fanning mill or move it about in the *patio* and give it to the winds.

Though some or all of these methods are in a measure still used machinery is largely brushing them aside, with better results, obtaining a greater number of pounds of marketable coffee out of an equal number of pounds cleaned than by any of the old methods, besides doing the same amount of work in much less time.

A *fanega* of 192 pounds in berry, dry, will give but from 100 to 112 pounds of clean coffee by any of the old methods; cleaned by machinery it is claimed there will be from 125 to 135 pounds, without breaking the berry. The only machinery thus far used in this district for cleaning and classifying coffee is what is known as the champion coffee cleaner. In this machine the berry first passes to the pulper where the pulp is removed; then it passes to the huller and separator; from thence it moves on to the polisher where a bright, lustrous color is given to berries in a condition to receive it; lastly, passing to the classifier where the grains are classified according to size. From the classifier it is delivered in sacks, when it is ready for the market. The machinery is so constructed that no handling is required from its being placed in the machine till it is in the sacks ready for shipment.

Grading.—The grade or quality depends much upon cultivation, season, exposure to the sun, or rather the density of the shade, etc. Much also depends upon the method of preparing the berry after it is picked.

The grades resulting from machinery cleaning are as follows: The first grade, bringing the highest price, is the caricole, or pea-berry coffee; the second grade is the pulped and washed before drying, a large, fine, lustrous berry; the third quality is a smaller berry; the fourth is smaller still, and blackened by exposure to the sun or picked before being matured.

Whether a seller contrives in any way to convert a poorer into a higher quality or better grade is something I have not made a special object of inquiry. On all of the points submitted I have, aside from any personal knowledge and statistics, received information only from what I regarded as reliable sources.

DAVID N. BURKE,
Consul.

UNITED STATES CONSULATE,
Puerto Cabello, January 18, 1888.

TOVAR.

REPORT OF CONSULAR AGENT REHBEIN.

Production.—The district of this consular agency, the section "Guzman," a part of the "Estado Grande de los Andes," is politically divided into seven districts, in four of which coffee is cultivated. The average

product is calculated more or less on 3 cargas* per acre and the area under cultivation is 8,000 acres.

For want of exact data and statistics it is rather difficult, if not impossible, to give even an approximate statement of the area capable of being brought under cultivation. People intimately acquainted with this district estimate it at 800,000 acres at least.

The average production of the district is estimated at 24,000 cargas per year, and the consumption at about 4 pounds per head of the population of 70,000, that is, 1,400 cargas.

Direct export from this section via Maracaibo is only exceptionally made, and then, generally to the United States, the principal portion of the coffee produced here being sent to Maracaibo for sale.

Prices.—Prices during the selling season are very variable and fluctuate according to those which prevail at the great consumption markets in the United States and Europe. During the last selling season, 1886–'87, they were from 16 to 38 pesos per carga of 200 pounds, Spanish, net.

	Pesos.
1885–'86	11 to 12
1884–'85	13 to 14
1883–'84	13 to 17
1882–'83	12 to 13

Quality.—The characteristics of the various grades or qualities chiefly consist in the color and size of the bean. The color depends upon the mode of preparation and the size upon the soil, the tree, and the weather prevailing during the blossom and the crop.

Preparation for market.—The mode of preparation practiced here is still rather primitive. In Merida and Egido farmers have begun to make use of some machines driven by water-power, which, though very simple, have given such good results that the Merida coffee is known in all foreign markets as being of a superior quality. In the surroundings of Tovar but two or three farmers use machines in preparing their coffee for market, and naturally gain better profits with them than the rest, who work in the old fashioned way.

The fruit, after being picked from the tree, is pounded in a copper cylinder, and then put into a tank with flowing water, which cleans the beans from all saps and acids. When this is done it is exposed to the sun to dry. Very much depends upon a good cylinder, to mash well the fruit and duly separate the beans from the shell and meat, facilitating the succeeding process of drying. In other countries the drying is generally performed by machines or stoves and steam; but here the sun is the only drier. Therefore, with the bad and rainy weather which prevails during the coffee crop, the act of drying, which requires from ten to fifteen days, is a difficult and troublesome work; and if not attentively attended to the coffee assumes a black color and a damp smell, which diminish its value and often make it entirely worthless.

When the coffee is dried, the act of thrashing begins, called "trillar" or "pilar," which is performed by rolling a large and heavy wooden wheel, by horse or mule power, over the coffee in a round stone-wall, similar to the old-fashioned ring-mills. This process again depends upon the weather, and can only be done after having exposed the coffee to the sun for an hour or two, as it has to be warmed and be perfectly dry before the thrashing can be performed.

As a last work, to make it ready for sale, there remains the cleaning and sifting, which is partly done by hand with a sieve, but in more ex-

* 1 carga = 200 pounds Spanish; 100 pounds Spanish = 101⅔ pounds American.

tensive farms with machines called "separators" ("venteadores"), generally introduced from the United States. It is easily understood that a good and well-working cleaning machine and separator is of great importance and influence on the quality, as it takes away the skins that might have remained after thrashing, and separates all the beans according to their sizes, throwing out all those which are broken or of light weight.

M. REHBEIN,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Tovar, November 29, 1887.

BRITISH WEST INDIES.

JAMAICA.

REPORT OF CONSUL BEYLARD.

Product per acre.—There are no ascertained statistics to be obtained on this point, but after very careful inquiry upon the subject I am satisfied that four cwt. per acre may be taken as a fair average. Large properties would not maintain this average, but the holdings of small settlers in all probability make a much better return, for the reason that it is possible to manure and otherwise pay greater attention to small parcels.

Area, etc.—The agricultural statistics of the colony give an average acreage under cultivation for the five years ending July 31, 1887, of 19,495.

Coffee will grow almost anywhere in the island, but its natural home is at an elevation varying from 1,000 to 4,000 feet. The proportion of the island contained between these lines is estimated by the survey branch of the public works department at 900,000 acres, of which only 19,495 are under cultivation. Of the balance of 880,000 acres much has already been under coffee cultivation and has become exhausted and worn out, and a fair proportion consists merely of surface soil over limestone rock, but, with good prices and a dense and industrious population, even this description of land could be resuscitated and by means of manure and root-pruning made available for the cultivation of coffee. Under the system at present pursued probably not more than 300,000 acres would be regarded as capable of being brought under cultivation.

Exports.—The average export for the five years ending September 30, 1887, has been 61,350 cwt. per annum.

Consumption.—It is very difficult to answer this question satisfactorily, as I have been able to find little in the way of data to go upon. It is a fact, however, that coffee is not the general beverage among the lower classes, and with the well-to-do, tea, in many cases, finds favor. The regular coffee drinkers may be put down at about 60,000, or one-tenth of the population, and to each may be allowed half a pint, or a trifle less than half a pound a week. This will place the consumption at about 13,300 cwt. per annum.

Production.—The average exports shown above, 61,350 cwt., and the estimated consumption, 13,300 cwt., giving a total production of 74,650

cwt. (8,360,800 pounds), verify the estimated yield of 4 cwt. to the acre as given.

The output for the year ending September 30, 1887, was divided as follows, and this division may be taken as a fair average one, there having been a tendency in recent years to prefer the American to the English market:

	Cwt.
United Kingdom	18,443
United States	29,308
All other countries	8,836
	56,587

Prices.—These are entirely governed by the English and American markets, the producers who sell to middlemen receiving about 70 per cent. of the prices ruling in New York or London. This for cured coffee and less for coffee in parchment or only partially prepared.

Grades or qualities.—Of coffee grown in Jamaica there may be said to be three distinct grades or qualities, namely, (1) the high "Blue Mountain" grown at an elevation of from 2,500 to 4,500 feet and over, as prepared for shipment on the plantations and not sent to the sea-board to be finally cured, as in Ceylon and India; (2) the coffee grown at an elevation of 2,000 feet and under, such as in Manchester and other districts, and also cherry coffee, purchased from settlers by estate owners and overseers, pulped and prepared in the same manner as coffee under heading 1; (3) coffee grown by Creole settlers at divers elevations and mostly sold to buyers in Kingston, or the traveling agents of such buyers, principally for shipment to the American market.

The various modes of preparation and the elevation at which they are grown affect the quality as follows:

(1) The coffee grown at high elevations is no doubt very superior in size, quality, and appearance and realizes the highest prices at Liverpool, ranging from $24.33 to $34.06 per cwt. (112 pounds). No doubt the rich soil, the elevation, the moist climate, the better cultivation, and superior manner which the coffee is prepared account for its excellence and its realizing such fancy prices. It is carefully pulped by machinery, then allowed to lie in tanks or cisterns until the sweet mucilage adhering to the parchment bean can be easily washed off; it is then dried on cemented barbecues until it obtains the hardness of horn and is brittle when bitten with the teeth. It is then peeled, winnowed, and sized by suitable machinery, then picked by hand and finally sorted into Nos. 1, 2, 3, and triage qualities, and packed in well-seasoned casks, tierces, or barrels, thus preventing contamination from any other products with which it may be shipped; indeed, no good planter will allow his coffee to be shipped in vessels carrying rum, sugar, or other freight which might injure the coffee.

(2) This coffee is prepared in the same manner as the higher grown grades, but from being grown at a lower elevation it is smaller in size, and the quality also, from difference of soil and climate, is not so good as the Blue Mountain quality. It usually sells in London and Liverpool at from $18.24 to $21.89 per cwt. It is seldom that it reaches the figures obtained for "Blue Mountain" except in such times of scarcity or speculation as ruled in the earlier months of 1887.

(3) This coffee being grown mostly at low elevations, with the cultivation neglected, the coffee badly prepared, and cured in a most primitive, make-shift, and hand-to-mouth manner, is of by no means large size or good quality; neither is it of satisfactory appearance. It usually sells for $10.94 to $15.80 per cwt., and only realizes such prices

as $20.92, which it touched in 1887, owing to a very small crop in the Brazils. It is strange that the taste in the United States favors this low quality of coffee, and it has been found most difficult to sell high class coffee in the markets of New York or other large American cities.

In England, on the contrary, the better qualities find a ready sale, as they are said to be bought up and used by the grocers for purposes of adulteration, which nefarious practice should be stopped by stringent legal enactments.

Preparation.—The quality of coffee is principally influenced by the altitude at which it is grown, the higher the elevation the better the quality, as I have remarked before. Different samples of coffee (as to the size and appearance of the berries) are obtained by passing the berries through a sizer or cylinder of hand-woven wire, the meshes being regulated according to number of samples required. After being sized the coffee is subjected to minute examination, called hand picking, and all black, broken, or defective berries picked out. The greatest care is exercised on large properties in curing and sampling coffee, but among the small settlers the methods pursued are so lax that what would if properly prepared be a really good quality of coffee commands but a comparatively small price, owing to being in many cases imperfectly cured and in others not sampled, while sometimes in the process of manufacture the berries become so intermixed with earth as to be materially depreciated in value.

LOUIS D. BEYLARD,
Consul.

UNITED STATES CONSULATE,
Kingston, Jamaica, January 10, 1888.

TRINIDAD.

REPORT OF CONSUL SAWYER.

CULTIVATION.

Soil.—As humid soil in the warm tropical climate is necessary to the production of coffee, and yet a temperature of only 65° or 75° Fahrenheit is required, elevated lands from 2,000 to 4,000 feet above the sea level are generally selected, and if such lands are fertile and in other ways adapted to the plant a superior quality of coffee will be produced.

Unfortunately the above combination of requirements can not be obtained in this island, for, on ascending the mountains to obtain the proper temperature, the soil is dry and largely composed of schistus covered with gravel, upon which is a light layer of earth that is washed away by the rains, when the fertility of the soil becomes deteriorated. Because of this coffee trees do not do well, nor will they bear at all more than a dozen years on the mountain slopes of Trinidad. Simmonds says "that coffee is now planted in the valleys and upon the plains of this island, where, notwithstanding the disadvantage of a temperature of 80° and 90°, by keeping the trees well shaded they bear tolerably well and retain their longevity for many years."

Cleared forest lands are selected, having dark brown soil, mixed with coral, and as near the base of the hills as possible, as they protect the coffee trees from the strong winds, and for the same reason they are generally planted among the cocoa trees in the same field.

Planting.—Coffee beans and the seeds of the Bois Immortel (Erythrina umbrosa) are sown in rows 4 inches apart in a nursery situated conveniently near the coffee field, and when the plants are a foot high they are ready for transplantation. Some planters cut coffee suckers from the roots 2 feet long, and also long slips from the Bois Immortel tree, that they set instead of planting seeds. In either case, after the plowing, harrowing, and trenching the land during the dry season, the coffee plants are set in rows 10 feet by 10 feet, the cocoa plants 12 feet by 12 feet, and the Bois Immortel 50 feet distant at each fourth row of the cocoa plants. Great care is taken in replacing failing plants, and the weeds are kept down with the hoe. All three kinds grow up together, but as the Bois Immortelles grow rapidly they soon become sufficiently high to give shade all over the field.

Some planters permit the coffee trees to grow without topping them, in which case they will reach the height of 12 or 15 feet, which require ladders in harvesting; but others adopt the plan of topping the trees, so that they will grow to the height of only 5 or 6 feet. This is far better, as the tree will bear better and the berries can be picked without injury to the branches.

The coffee tree blossoms in May and bears in October and November of the second or third year. In Trinidad it bears but one crop during the year.

Shade.—In countries where coffee is grown in a cool temperature at a high point of elevation above the sea level but little shade is required, but it is not so in the valleys having a warmer temperature. The sun in his annual courses crosses Trinidad in April and August, as this island lies between the parallels of 10° 3″ and 10° 50″ north latitude. The sun's declination at apparent noon for 1886 was—

	°	′	″	
April 16	10	11	41	north.
April 17	10	32	49	north.
April 18	10	53	47	north.
August 25	10	42	33	north.
August 26	10	21	43	north.
August 27	10	0	43	north.

The sun's rays are vertical to the coffee estates of Trinidad three days in April, three days in August, and at a high acute angle during April, May, August, and September. The coffee fields, therefore, must be shaded in all directions or the plants will be seriously injured by the burning heat.

Although various fruit trees are sometimes utilized for this purpose, it is far better to use the celebrated Bois Immortel, whose leaves fall off at the proper time to let through its denuded branches a portion of the sun's rays upon the ripening coffee beneath, and whose sap moistens the ground during the dry season by exudation from its roots. These roots run far out upon a level, and very near to the surface of the ground, which is always damp, giving refreshing nourishment to the coffee tree during the dry season. Yet exudation is disputed by some botanists.

That the Bois Immortel is in a state of nudity during October; that it is reclothed with flowers in November and afterwards with leaves until the following October, and that it absorbs a large amount of sap that it exudes during the dry season for the benefit of the coffee tree are well established facts.

PRODUCTIONS.

The coffee berries having had the benefit of the gentle rays of the sun for one month (during the nudity of the Bois Immortel) are now ripe and harvesting begins.

There are no "barbacues" nor peeling mills in Trinidad, as in Jamaica and elsewhere, harvesting and curing coffee being done in the old-fashioned way of 1796, when the Spaniards owned the island. The berries are picked and carried in baskets to a proper place intended for their fermentation, where they are left in heaps upon a board platform for twenty-four hours. Fermentation having taken place they are spread out and dried in the sun, when the pulps and parchments are separated from the coffee beans by being pounded in mortars.

By the process of winnowing the coffee-beans fall into baskets and are thrown into troughs where they are washed or drained of the adhering slimy substance, and after being thoroughly sun-dried they are put into bags, just as we see them in the markets of the world.

There are about 100 acres of coffee lands under cultivation, averaging 900 pounds to the acre, and there are 5,000 acres capable of cultivation.

COFFEE PRODUCTION AND TRADE.

Product of the island exported from 1882 *to* 1886, *inclusive.*

Countries.	Quantity.	Countries.	Quantity.
1882.	*Pounds.*		*Pounds.*
United Kingdom	10,280	France	1,610
British West Indies	8,600	Germany	1,270
British Guiana	1,530	French West Indies	880
United States of America	2,500		
France	3,395	Total	14,960
Germany	1,228		
Foreign West Indies	7,680	1885.	
South America	2,991	United Kingdom	975
Venezuela	None.	British West Indies	1,925
		United States of America	3,590
Total	38,204	France	9,140
		Germany	1,365
1883.		Portugal	3,115
United Kingdom	2,134	Spanish West Indies	160
British West Indies	2,432		
British Guiana	500	Total	20,270
United States of America	22,655		
France	8,840	1886.	
Foreign West Indies	3,091	United Kingdom	14,375
Germany	230	British West Indies	1,787
Venezuela	940	British Guiana	1,787
		United States	1,787
Total	40,822	France	905
		Germany	1,745
1884.		French West Indies	1,745
United Kingdom	8,040	All other countries South America	1,240
British West Indies	2,400		
United States of America	160	Total	20,052

Foreign and other colonial coffee exported from 1882 *to* 1886, *inclusive.*

Countries.	Quantity.	Countries.	Quantity.
1882.	*Pounds.*	1883.	*Pounds.*
United Kingdom	33,830	United Kingdom	116,967
British West Indies	59,495	British West Indies	4,560
British Guiana	3,600	British Guiana	None.
United States of America	None.	United States of America	100
France	70,879	France	92,147
Germany	179,392	French West Indies	10,829
Foreign West Indies	19,336	Germany	251,625
South America	2,650	Venezuela	1,000
Venezuela	11,750		
Total	380,932	Total	477,228

Foreign and other colonial coffee exported from 1882 *to* 1886, *inclusive.*—Continued.

Countries.	Quantity.	Countries.	Quantity.
1884.	*Pounds.*	1885—continued.	*Pounds.*
United Kingdom	None.	Spanish West Indies	11,070
British West Indies	None.	French West Indies	10,000
United States of America	45,948	Total	168,855
France	207,872	1886.	
Germany	12,578	United Kingdom	12,320
French West Indies	None.	British West Indies	19,205
Total	266,398	British Guiana	9,850
1885.		United States of America	5,420
United Kingdom	None.	France	103,684
British West Indies	1,225	Germany	4,045
United States of America	650	South America	7,586
France	5,460	Total	162,110
Germany	140,450		

RESUMÉ FOR 1886.

	Pounds.
Coffee imported	389,120
Coffee exported, home and foreign	182,162
	206,958
Annual production of the island	900,000
Total island consumption	1,106,958

PRICES.

Soon after the emancipation in 1834 the island was visited by a business depression in which the coffee-planters lost much, as harvesting and curing coffee require much labor, which system had been thrown into confusion. And after the restoration of labor by the importation of coolies it was no better, for overproduction of coffee in the great coffee lands of the world and the introduction of chiccory had reduced the price of the article. Many coffee plantations were therefore abandoned and others were superseded by sugar-canes or cocoa trees, the production of these articles being more profitable than raising coffee; nor have the coffee markets of the world improved sufficiently to warrant planting on a large scale on this island.

The prices of coffee during the selling season since 1880 were:

	Per 100 pounds.
1880	$18 to $20
1881	18 to 20
1882	18 to 21
1883	8 to 10
1884	8 to 10
1885	8 to 9
1886	8 to 9
1887	18 to 22

CHARACTERISTICS.

The "Mocha" is an excellent coffee, but the beans are so small that the extra expense of labor makes the article very costly. A little is planted here by gentlemen in their gardens for use upon their own tables. "Mezagogipe" is being planted as an experiment; it is of good size and the flavor well spoken of. "Liberia" has been tried, but it does not do well and has been condemned. "Caffae Arabica Felix," that is termed "creole coffee" here, is the kind cultivated successfully on this island. About all kinds of coffee have sprung from the Arabica. It originated in Abyssinia, was transplanted in Arabia, and from thence reached all

the coffee lands of the world. It has been hybridized and is improved in accordance with the climes and soils in which it has been planted. This kind grown in Trinidad is of rather small size and of a light-green color when new, but of a pale color when old. It is as good as that imported from Venezuela, and superior to the "Rio" coffee of Brazil; but as the required combination of soil and temperature can not be here obtained, it is not likely that there will be ever produced on this island as deliciously flavored coffee as is grown in some parts of Arabia, Java, Costa Rica, or Jamaica.

MOSES H. SAWYER,
Consul.

UNITED STATES CONSULATE,
Trinidad, October 31, 1887.

SPANISH WEST INDIES.

CUBA.

REPORT OF CONSUL REIMER, OF SANTIAGO DE CUBA.

Production.—The production of coffee in this district is confined to the country surrounding this port and Guantanamo, and is not sufficient to-day to supply the markets of the island. As these two ports are the centers of the only coffee-producing districts, coffee is imported into the island from Porto Rico, and lately even from the United States.

This state of affairs has been brought about by various causes. The first is lack of capital to restore the old coffee estates destroyed during the first and second revolutions in 1868, 1878, and 1880, respectively. Then, during the prosperous years of the Cuban sugar industry, when the attention of every one was drawn to the cultivation of sugar, coffee-growing was neglected and sugar-making taken up. This is best illustrated by the following statement of coffee shipments from the port of Guantanamo:

Shipments of coffee from Santiago and Guantanamo for 1867 *to* 1886.

Year.	Shipped to—							
	Island of Cuba ports.	United States.	France.	Mediterranean Ports.	Spain.	Great Britain.	Sundries.	Total.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
1867	4,089,120	2,980	1,540,560	1,781,900	506,480	13,000	10,300	7,944,340
1868	5,616,280	.....	1,300,240	1,283,060	85,560	.....	.....	8,287,840
1869	6,103,180	.....	1,809,640	1,533,000	666,680	.....	.....	10,112,500
1870	5,466,980	64,980	863,800	942,000	268,040	.....	10,000	7,620,800
1871	3,192,980	.....	499,940	.....	70,400	.....	1,260	3,764,580
1872	2,673,660	.....	20,800	.....	1,200	2,600	3,480	2,701,740
1873	1,658,340	300	55,800	.....	.....	.....	.....	1,714,440
1874	2,392,920	.....	32,000	.....	.....	.....	5,600	2,430,520
1875	1,788,780	1,800	190,200	.....	1,000	.....	5,100	1,986,880
1876	1,119,700	1,000	90,000	.....	.....	.....	.....	1,210,700
1877	1,487,140	2,000	33,360	.....	2,600	.....	.....	1,525,100
1878	1,521,560	.....	.....	.....	.....	7,400	25,800	1,554,760
1879	1,286,000	.....	31,314	.....	800	.....	5,000	1,323,114
1880	1,201,800	.....	19,300	.....	2,600	.....	1,800	1,225,500
1881	464,340	2,500	.....	.....	4,200	.....	2,300	473,340
1882	1,683,640	1,100	102,400	.....	28,380	.....	600	1,816,120
1883	401,662	.....	19,100	.....	2,200	.....	1,200	424,162
1884	660,200	.....	.....	.....	.....	.....	.....	660,200
1885	504,340	1,531	.....	.....	2,864	.....	1,900	510,635
1886	1,542,360	600	.....	.....	6,100	.....	1,567	1,550,627

It will be seen from the foregoing table that since 1871 a comparatively small amount of coffee has been exported to foreign countries; the amount grown has been proportionately less.

In 1886 coffee cultivation increased, owing to the high prices prevailing. Prices as they now stand leave more than a handsome profit to the coffee planter, but capital is wanting to restore the old plantations.

The foregoing statement of shipments shows that during the years when coffee was exported to foreign countries it chiefly found a market in French Mediterranean ports. The French Creoles at that time entirely controlled the coffee industry of this district, and their estates produced a high grade of coffee, which found its way to France and thence to Austria and Russia. Then the grades and classes of coffee were many, and the small amounts shipped to the United States were invariably of superior quality. Now, as only coffee for home consumption is grown, this grading is unnecessary, although there are even now first, second, and third packings.

Cultivation.—The cultivation of coffee is still in the same primitive state in which it was years ago. As this whole consular district is composed of high mountain ranges, the area which could be brought into coffee cultivation is, I might say, unlimited. To gain any idea of the area under present cultivation—in the absence of official statistics—I would state that the shipments from here and Guantanamo during the past year amounted to 1,550,627 pounds; the local consumption in both places I estimate at 300,000 pounds. This makes a total of 1,850,627 pounds, which, allowing 10,000 pounds to the caballeria (33⅓ acres), would show about 6,100 acres under cultivation. This small area does not supply the island consumption.

Any person desiring to make a coffee estate chooses for his plaza, or plantation, high and steep ground, if possible, facing east and west; altitude above sea-level from 1,000 to 3,000 feet. Experience has proven that ground lower than 1,000 feet is too apt in the dry season to parch and give the plant insufficient moisture, whereas on the mountain side in the altitude mentioned the dews are always heavier, and the morning fogs settle longer and give the soil time to absorb the moisture it needs to sustain the plant during the hot hours of the day. For these reasons, and also to avoid the direct rays of the noonday sun, steep hill-sides are chosen, facing east and west, as said above, if possible. As a general thing the planter, never having studied the chemical properties of coffee-producing land, looks for ground where lance-wood, redwood, and olive-wood grow as a never-failing proof that the land is adapted for the cultivation of coffee. The land must be virgin soil. On this the planter puts his laborers to the work of clearing. The larger trees are burned out and the smaller trees and brush chopped down with ax and machete. The cost of clearing the land is about $500, Spanish, per caballeria (33 acres).

The land is lined out, the lines running from the top to the bottom of the hill, 4 feet apart. In these lines five or six coffee berries, 3½ feet from each other and 2 inches from the surface, are planted. In other words, one cabelleria contains, where the whole space can be utilized, 100,000 plants. The coffee is planted during the rainy season, in March or September. In thirty-five or forty days the seeds begin to sprout. These sprouts are allowed to grow for six months, after which the healthiest alone are left, the others being pulled out. The remaining sprout is left growing for eighteen or twenty months. In the mean while the planter, desiring that his land shall yield something, plants corn, plantains, and all kinds of vegetables; also, at intervals between

the rows, cacao, which, however, does not yield a full crop until the coffee plant is exhausted, say, in ten or twelve years. As soon as the coffee plant reaches a height of 4 feet it is stunted and trimmed, all young sprouts thereon being killed off in order to force all the strength into the fruit. For the first two years the plant produces nothing; the third year it yields a half crop; on the fourth year a full crop, which runs from 10,000 to 60,000 pounds of coffee ready for the market, according to the condition of the soil, per cabelleria of 33⅓ acres. This production continues for ten or more years, and the planter can gather his crop of ca ao, planted as above.

Preparation for market.—The coffee plant blooms in January to April, then the berry forms and is ripe for picking from August to December. The negro is paid for picking and delivering the berry at the *secadero* (a large platform made of stone, covered and smoothed with cement) 50 cents per bag. It is calculated that 100 pounds of berries yield 15 pounds of marketable coffee. Each bag of berries delivered at the *secadero* must contain 200 to 300 pounds, and a good workman can pick three bags per day.

The berry is then spread on the *secadero* and exposed to the sun to dry. How long this takes depends wholly on the weather. Under ordinary circumstances I should say seventy-two hours. The berries while drying are repeatedly raked or turned over to quicken the process. During this process great watchfulness is required, as the slightest rain would ruin the berry. To prevent this covers are always ready for the *secadero*. These are cone-shaped, and when the berries are raked into heaps these covers completely protect them from rain and dew.

When the berries are completely dried they are put into the "molina de pilar," which is a circular trough, usually cemented, in which a heavy wheel made of hard wood, the rim plated with metal, revolves. This wheel crushes the berry and leaves the bean. Ox or mule power is employed. The bean is then put into the blower to remove all particles of the outside shell. When the coffee is clean it is again put into the "molina de pilar" to receive a polish. If the color is too light a little charcoal is put into the trough with the coffee.

The coffee, after this process, is ready to be put into bags and conveyed to market, which is done on mule-back.

Another process, not so much in use now, owing to the fact that the cofiee is exported, is washing. The berry as it comes from the playa, is put into a crusher to press out the bean. The bean falling into a stone basin is left therein over night to rid it of the gum adhering to it. The next morning the basin is filled with water and the bean washed. This process is repeated two or three times, when the coffee is spread out on the secadero to dry.

The coffee is conveyed to market on mule-back in bags of about 102 pounds each, a mule carrying two bags and traveling 10 leagues per day. The cost of carrying to market in this manner runs from 75 cents to $1 per load.

Prices.—It is impossible to give the exact prices for past years as there are no statistics thereof. I can only say that the prices from 1867 to 1886 have ranged from $12 to $20 per 100 pounds. Owing to the scarcity of coffee, and no doubt to trade manipulations also, this last crop has been selling as high as $28 per 100 pounds, with every probability of these prices being sustained.

Cost of production.—Although it is an impossibility to make a calculation based on figures, I can safely say that the cost of producing coffee

and placing it on the market never exceeds $10 per 100 pounds, so that the profits at present, outside of all possible expenses and interest on capital, exceed 100 per cent. Notwithstanding the high prices ruling, the estates in working condition and those which could be placed in working condition with very little outlay, producing a crop of cacao and coffee valued at $20,000 (one-quarter coffee and three-quarters cacao), can, under ordinary circumstances, place the crop on the market at an actual cost of less than $10,000. Such estates, with sufficient virgin soil belonging to them which can be used for the cultivation of cacao and coffee, can be purchased at from $25,000 to $30,000, say $5,000 more than is necessary for working expenses and repairs until the investor can produce sufficient crop to return him capital with which to go on. I feel safe in asserting that an investment of $35,000 in a cacao and coffee estate would realize from 15 to 20 per cent. per annum. This calculation is based on the old prices, not on the present high figures. The risks of such an investment are very small. Droughts need not be feared. Labor is cheap and, if properly managed, plentiful. War, such as devastated the island seven and twenty years ago, is, in my opinion, possible no more; even if possible it will be confined to other parts of the island.

Winter resort.—It is a wonder to me that American capitalists do not turn their attention to this industry. The climate can only be equaled in the south of Europe. As a winter resort the coffee-growing district of this province is unrivaled. Fevers natural to tropical countries are unknown here. The scenery is magnificent, vegetation beautiful in its tropic splendor, the rivers always full of water, and game, deer, wild pigs, and all sorts of fowl in abundance. Even our home fruits and vegetables thrive here, and with very little outlay it is possible to transfer all American home comforts to these mountains.

The remaining descendants of the old French planters, who still live on the estates they have been able to retain, are hospitable and generous to a fault, and are generally well educated and refined.

OTTO V. REIMER,
Consul.

UNITED STATES CONSULATE,
Santiago de Cuba, October 11, 1887.

CIENFUEGOS.

REPORT OF CONSUL EHNINGER.

In no part of this consular district is coffee produced at present sufficient for local consumption.

Previous to the insurrection—say 1858–1868—in this island, there were several coffee plantations in the mountains back of Trinidad, producing from 10,000 to 15,000 quintals per annum of superior coffee. These estates, however, were destroyed and abandoned during the war, and the amount now produced is not sufficient to meet the demands of the immediate neighborhood.

HENRY A. EHNINGER,
Consul.

UNITED STATES CONSULATE,
Cienfuegos, September 9, 1887.

TRINIDAD DE CUBA.

REPORT OF CONSULAR AGENT PALAN.

The coffee crop here is not sufficient for the local consumption, although we have a great area that can produce the best coffee in the island, as reported of old. Our crop actually is only 52,000 pounds of the choicest grade.

Product per acre, 612 pounds; area cultivated, 85 acres; suitable for cultivation, 19,000 acres. There are no statistics of production. Average of consumption, 20,000 pounds. No export. Price during the selling season from $8 to $9 per 100 pounds, but this year it averages from $18 to $26 per 100 pounds.

In this district the choicest grades of coffee are produced regardless of any method of cultivation or preparation. About thirty years ago we had a great production of coffee, but at that time it commenced to fall back, being almost completely destroyed by the last war. Some cultivators struggle for raising the coffee plant with very slow success, restrained as they are by the abnormal condition of the island.

JOSÉ PALANY MAGDALENO,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Trinidad de Cuba, September 26, 1887.

PORTO RICO.

AGUADILLA DISTRICT.*

PORTO RICO.—The island of Porto Rico, belonging to the group of the four Great Antilles, of which it is the smallest, has an area of 10,000 square kilometers, with a pretty dense population of 800,000 inhabitants.

The island is divided into seven departments, named Bayaman, Arecibo, Aguadilla, Mayaguez, Ponce, Guayama, and Humacas. Hardly any coffee is cultivated in the latter two departments.

Aguadilla.—The third department (Aguadilla) is represented by the undersigned (Consular Agent Ganslandt) and embraces a portion of the island between the river Guajatasa northeast and the north frontier of the department of Mayaguez, with 85,000 inhabitants, dispersed in the country and the following towns and villages: Aguadilla, the Port, Aguada, Rincon, and Isabela, near the coast, and Moca, San Sebastian, or Pepino, and Lares, in the interior.

After the collapse in this department of most of the sugar estates, in consequence of bad management and the late ruinous prices, coffee has become the principal export article. The following details, in default of reliable municipal and Government statistics, with regard to queries Nos. 1, 2, and 3, are derived from the most prominent dealers in and planters of coffee, and are as nearly exact as possible.

The principal coffee-producing districts are in this department: Lares, San Sebastian, Moca, and Isabela. Aguada and Rincon comparatively give little, and of the latter locality what insignificant quantity is harvested is sold to Mayaguez, on account of the greater facilities that port offers for transportation. For this reason I can not account

* Report of Consular Agent Ganslandt, dated October 25, 1887.

for the exact details about that part of this department. A considerable portion of coffee from Lares and San Sebastian goes also to either Arecibo or Mayaguez; the road to Arecibo being shorter than to Aguadilla, and competition from Mayaguez, a great coffee-exporting center, being very brisk. As this town and port is, however, the proper outlet for all the coffee grown in this department, the long-felt want of a railroad to Lares (about 35 kilometers) is becoming more emphasized every year. The bad condition of the roads from the interior renders transport to this port so difficult, that merchants and planters often prefer to sell at the two above-named ports, where, as I have already stated, either access is easier or other advantages are offered.

Transportation.—Coffee is prepared in the country so as to be ready for export, the better grades, however, undergoing at this port certain manipulations, about which I shall report below. It is transported on mules and horses, sometimes in carts, when the state of the roads permits the latter mode. Each mule or horse carries two bags of 112 pounds, Spanish, each, one bag at each side, and although in this manner the coffee is always exposed to the dangers of the road, rain, and delay of several days, the cost of such transport is exorbitant, viz, $1 50 to $2.50 per load, according to the weather. The former of the two rates quoted is higher than the steamer freight is to the north of Europe.

Production and prices.—The following table, showing the production and prices of coffee, is compiled on the basis of average crops. The result of same varies according to circumstances, chiefly influenced by the more or less favorable weather, but also by the fact that a large crop is generally followed by two years of indifferent yields, as the trees can not give large crops every season. The average production per cuerda runs from 3½ to four quintals for good to 3 quintals for fair and 2½ for bad.

Production.

Description.	Districts where produced.			
	Lares.	San Sebastian.	Moca.	Isabela.
Area under cultivation (cuerdas)	15,000	6,000	4,000	1,000
Area capable of being brought under cultivation (estimated)	30,000	12,000	20,000	2,000
Production, on an average (quintals)	50,000	18,000	10,000	2,500
Consumption (at Aguadilla 3,000)	2,500 to 3,000	2,000 to 2,500	1,500	1,000

Prices.

Description.	Crop of—							
	1880–'81.	1881–'82.	1882–'83.	1883–'84.	1884–'85.	1885–'86.	1886–'87.	1887–'88.
Lares:								
Opening (Oct.)	$16.00	$11.50	$12.00	$14.50	$12.50	$11.00	$15.00	$24.00
Closing (May)	12.00	11.00	13.00	15.00	11.00	15.00	21.00	.....
San Sebastian:								
Opening (Sept.)	.....	.....	.....	13.50	14.00	12.00	13.00	23.00
Closing (Feb.)	.....	.....	.....	16.00	11.50	12.50	20.00	.....
Moca:								
Opening (Sept.)	.....	.....	.....	13.00	12.00	10.00	14.00	22.00
Isabela:								
Closing (Feb.)	.....	.....	.....	16.00	11.00	12.00	19.00	.....

NOTE.—1 Spanish quintal is equal to 101.47 pounds, American. 1,000 cuerdas, Spanish, are equal to about 406 hectares. The quotations in dollars are current money of the country, about 75 cents United States coin, but constantly fluctuating.

Exports.

Annual report of—	Crop of—	Exported to— United States.	Great Britain.	Channel, f. o.	Spain and Gibraltar, f. o.	Germany.	France.	Holland.
		Quintals.	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*
Sept. 30, 1881..	1880–'81	569	4,008	6,300	6,713	6,156	8,295	4,820
Sept. 30, 1882..	1881–'82	.....	814	6,250	2,271	1,520	3,900	4,171
Sept. 30, 1883..	1882–'83	.....	1,469	4,015	8,121	3,348	10,992	1,545
June 30, 1884..	1883–'84	.....	.....	.....	6,355	150	6,520	1,545
June 30, 1885..	1884–'85	.....	985	.....	1,502	4,598	20,396	942
June 30, 1886..	1885–'86	370	.....	.....	2,416	2,053	7,156	1,173
June 30, 1887..	1886–'87	.....	.....	.....	4,455	2,067	4,991	194

Annual report of—	Crop of—	Island of Cuba.	Coastwise.	Italy.	Austria.	Sweden.	Total.
		Quintals.	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*	*Quintals.*
Sept. 30, 1881..	1880–'81	29,764	1,381	.....	.....	.....	60,006
Sept. 30, 1882..	1881–'82	13,121	1,540	810	.....	.....	34,406
Sept. 30, 1883..	1882–'83	15,041	735	4,423	3,155	.....	52,844
June 30, 1884..	1883–'84	13,865	.....	4,138	200	.....	31,228
June 30, 1885..	1884–'85	17,750	1,414	7,796	4,440	177	60,000
June 30, 1886..	1885–'86	13,325	1,470	6,365	1,083	.....	43,410
June 30, 1887..	1886–'87	18,390	905	3,933	610	.....	35,545

Cultivation.—The modus of same generally in this department is not what it ought to be. I am assured that it would be possible to attain a production of 6 quintals Spanish per cuerda and more if care, attention, and money were not spared. The best lands are considered to be those of the woody hills in the interior, where very little sun reaches the trees and frequent rains preserve the moisture of the ground. The principal requirement for a favorable growth of coffee is the existence of abundant shade from young trees, and thus before the coffee plants are set bananas, plantains, and certain quickly-growing and shade-spending trees have to be planted, under which the young coffee trees prosper afterwards. The cost of planting one cuerda, almost equal to one English acre and about 40 areas, which contains from 700 to 1,000 trees, clearing the soil, weeding same four times a year, manuring, planting some 400 shade trees, and an equal number of plantains, etc., comes up to $50 for three years, the time required for the young coffee tree to produce. The trees will last for about fifteen years with very little further care and expense, as they merely have to be clipped after each crop.

Preparation.—When the fruit is ripe, from August to November, according to the locality, it is carefully picked and is then put through a crushing apparatus, which breaks the cherry-colored outer stout shell which incloses the two berries contained in each fruit, separating one berry from the other. A small jet of water falling on the roller facilitates this operation. The grains are then placed in a tank, where they remain some time. The water causes a slight fermentation to set in, which removes the slimy and sweetish substance by which the berries are surrounded. This requires about twelve hours. They are afterwards thoroughly washed in clean water, then carefully spread on canvas, or on a glacis, and exposed to the rays of the sun for several days, which dry the grains, and bleach the hush which still encircles each berry. The grains then go into what is called here a "tahona," a kind of mill, driven by animal, water, or steam power, consisting of two heavy wooden wheels revolving in a circular box, the wheels crushing

the whitish and brittle husk in which the grain is yet embedded. The coffee is then winnowed and ready for sale.

Quality.—With regard to the various grades or qualities of coffee of this department, I beg to say that the coffee from Isabela, Moca, and Aguada, growing mostly near to the coast on low lands, and sometimes even in sandy soil, without much attention besstowed upon it, shows a small berry, grayish color, and imperfectly-developed beans. This quality is here called "Pueblo." It goes mostly to the island of Cuba. The better kinds of some, however, go to the north of Europe, chiefly to France, etc. After arrival at this port it is again passed through winnowing mills, which throw out the dust, the husks, any small stones, or whatever other impurities are yet mixed up with the coffee.

The better descriptions, coming from Lares and San Sebastian, going under the name of "Hacienda," are much more carefully prepared, partly on the spot, partly in the interior. The following is a description of the operations applied to Hacienda coffee. During late years steam and water power have replaced the former cattle-driven husking-machines, as the trade nowadays requires the removal of the beans, and turn out, besides, the pea-berry coffee (in Spanish caracolillo), which obtains about $2 more than the best picked Hacienda coffee. The final operation which is applied to Hacienda coffee is the picking by hand of any black, imperfectly developed, or partly-crushed grains which yet remain, and during the season hundreds of women and children are occupied by the merchants of this port, who pay for picking at the rate of 25 cents per 112 pounds Spanish.

This superior quality from Lares and San Sebastian is of a light greenish-bluish color naturally, and of pretty large and regular size. It goes to Europe, chiefly to France, Germany, Holland, Austria, etc. To coffee shipped to Spain, the Mediterranean and Genoa, which latter is one of the principal consuming ports, a somewhat darker hue is artificially added.

For inspection of the Department I have the honor to forward samples of the different qualities which this market offers, kindly furnished by friends of mine who are extensively interested in the trade.

Coffee to Europe is now mostly shipped in double bags, of about 150 pounds' weight each; to the island of Cuba in bags of 180 to 200 pounds. To the United States hardly any coffee goes from this island.

Trials have been made here to cultivate Liberia and Mocha coffee. Both kinds grow well, but are not yet offered for sale, as the production is insignificant. The seeds were procured and distributed by the Government of this island, which, unfortunately, does very little to stimulate and protect the cultivation and development of this branch of agriculture, so important in its results and yet, it must be said, in its infancy, when the area under cultivation and the one susceptible to be cultivated are being compared. There is, however, no doubt that the present favorable prices will give a fresh impulse to extend coffee planting, the progress of which on a larger scale has, during late years, been hampered by the high State taxes, low prices, and the want of means and credit of the rural population at large.

ARECIBO DISTRICT.*

Production.—Average product per acre about 5 quintals. Area under cultivation, about 10,000 acres. Area capable of being brought under cultivation, about 20,000 acres.

* Report of Consular Agent Wolf.

Export and consumption.—Of the 50,000 quintals produced in this district, about 4,000 quintals are consumed here; about 16,000 quintals are taken by Cuba, and the balance, say, 30,000 quintals, are shipped to Spain, Italy, France, Germany, and Holland. No positive figures can be given as to the exact quantity of each crop taken by the respective nations.

Prices.—Present average price (beginning of crop), $20 to $24 per quintal, according to quality. Average price during recent years, $15 to $20 per quintal.

Quality.—Three grades or qualities of coffee are prepared with the ordinary bean produced, viz: First class, called "*Hacienda;*" selected bean of large and even size. Second class, called "*Pueblo;*" superior bean not selected. Third-class, called "*Corriente;*" inferior quality, with whitish beans; taken generally by Cuba.

There is also a small quantity of coffee collected which is called "Caracolillo," a small, round, and handsome bean, which is worth about $2 per quintal above the other best quality.

Preparation.—Coffee is picked largely by females, and is passed through steam-mills, where it gets separated, cleaned, and polished.

PONCE DISTRICT.*

Production and area.—The production averages 5 quintals of coffee to the acre. The area under coffee cultivation is estimated at 44,000 acres. It is not possible to arrive at any fixed figure for the area capable of being brought under cultivation; it is, however, of considerable extent, at the lowest calculation 200,000 acres, besides which all the irrigable land now in sugar cultivation can be converted to this use should sugar-cane ultimately prove unremunerative. The lands now planted with sugar-cane offer considerable advantages. Irrigation is generally applied to the cultivation of these lands, hence on them could be grown simultaneously coffee and cocoa. The quality of the coffee might not be of such fine grade as that grown on the high lands, but this would be more than equalized by the larger quantity produced, while the cocoa in itself would be a most valuable crop. The quality of the little cocoa produced in the district is very fine, comparing favorably with that of Caracas.

Exports and consumption.—The quantity of coffee produced varied from year to year, depending chiefly on the weather. The crop of 1886–'87 was a small one, giving a total of 13,500,000 pounds, of which about 12,000,000 pounds were exported and the balance consumed at home. Of the quantity exported there was taken by—

	Pounds.
Spain	780,000
France	5,031,400
Germany	1,444,200
Austria	1,655,500
Cuba	2,767,800
Italy	144,300
United Kingdom	355,000

Little or none of this coffee goes to the United States.

Prices.—Prices during the crops of the years from 1882 up to 1885 were steadily from $12 to $16 per quintal. That of 1886 sold at still better prices, say from $16 to $20, and towards its close even $25 per quintal was readily paid.

*Report of Consular Agent Finlay, October 26, 1887.

Quality.—The coffee is generally classed and paid for as firsts and seconds for exporting grades, while a third unclassable grade enters into consumption.

Firsts are product of the Highlands, a fine, large, colorly grain, differing slightly from the Arabian coffee in quality. Seconds are cropped from the lower lands, the prices of one and the other quality. The husking, washing, and drying of the coffee by the grower before bringing to market makes the quality and price to a great degree.

The purchaser in turn, however, has it repassed by women and children, who separate the large grains from the smaller ones. It is then passed through the polishing mill (tahona) and indigo added to give it the color best suited to the market for which it is intended.

This latter operation does not in any way affect the quality of the coffee, and tends only to improve its appearance.

Cost of cultivation.—The average cost of caring for the coffee crop, after it has been well established, is about $6 the quintal; picking about $1 per quintal; husking, washing, etc., $1 per quintal, and transportation to market $1 per quintal. Coffee growing is hence considered very lucrative.

SAN JUAN DISTRICT.*

Production.—The average product of grain coffee per acre is about 600 pounds, but much depends on the season and age of the trees. For instance, after an extraordinary yield, the following year is a moderate one. Again, if the trees are young, say from two to four years old, the yield is small in proportion, whilst from five to twenty-five, and in some localities up to forty years and even more, the trees continue to produce in full force. After this, as the trees become old, the yield lessens. The best mode to adopt then is to cut down the trees about 18 inches from the ground, when the stump will sprout out anew and in a couple of years the trees will commence to bear again for a series of years as before, and as though newly planted. There is only one crop yearly, which commences in September and ends the latter part of December.

Cultivation.—Each acre contains 700 trees beside shade trees. The Spanish acre is 75 varas each way, or 5,625 square varas. In the opinion of many coffee requires shade more to develop the tree than to produce.

The coffee tree requires little expense; once a year it is cleared of dry leaves. No grass or weed of any kind grows under it. In picking the ripe berries, also from weight of the fruit, the branches usually hang down, and after crop is gathered the branches require to be shoved up and straightened, whilst broken branches should be pruned. The picking of the berry is done by men, women, and children, as the work is light, but care must be taken in picking to pick the berry only, leaving on the branch the small stem, otherwise it will affect the next year's crop.

The area under cultivation may be estimated at about 2,400 acres, and from 12,000 to 15,000 more could be utilized. Meadows and flat lands are not solicited for coffee growing, high rolling and mountainous places being best. Up to fifty years ago this district produced much coffee and cacao, the latter of good quality; but as the sugar cane offered better inducements, those plants were wantonly destroyed, either for fuel or cut down and left to decay. Coffee production has thus been

* Report of Consul Conroy, dated October, 1887.

greatly reduced, and cacao, which is not so hardy and requires more care, is at present almost extinct.

Export.—The exports of coffee for San Juan during the year 1886 amounted to 7,065,524 pounds. The total production of the district is almost double this amount, as about half of the yield is consumed in the island.

Prices.—The prices usually range from 9 to 15 cents per pound, according to quality; but the present year, owing to the small crop and brisk demand from abroad, the present prices run from 18 to 26 cents.

Quality.—There is only one kind of coffee grown in this district, the flat grain of fair size, each berry containing two grains; the different qualities arising from care and condition.

Preparation for market.—There are two ways of preparing the coffee for market. One by the dry process; that is, as the ripe berry is picked it is placed in heaps of about 500 pounds and spread out to dry in the sun, heaped up at night and covered from the dew and rain; the pulp of the berry as it dries wilts, becomes hard and black, and adheres closely to the grains. When perfectly dry the grains are separated, cleaned, and ready for market. It is claimed that in this manner superior tasting coffee is produced. In drying with the heat of the sun and masonry of the secadero the pulp throws out a dark sugary stuff, like very thick and dark molasses, which flavors the grain. This mode is only practiced by moderate producers, as, besides being more expensive, large quantities could not be handled without having extensive secaderos, and even then much would become mildewed before drying.

The other mode, followed by the majority, is the washing process. As the berry is picked it is placed in a round vat, containing a large wooden wheel moved around by oxen or horses, where the berries are mashed. It is then flooded with water. The grain remains at the bottom, whilst the pulp floats and is thus removed. The grain is then dried and prepared for market. Besides the pulp, there is an inner thin silvery skin which adheres closely to the grains in both processes, which is difficult to separate, and this is done by placing the dry coffee (at any time) in a round pit, containing two large and heavy wheels of hard wood, say of about 5½ feet diameter and 6 to 8 inches thick; wooden ones are preferable to iron. The pit can contain about 800 pounds of dry grain coffee, and in placing the wheels in rapid motion, with a sprinkler of about a gallon of water the coffee is moistened. This with the pressure of the wheels and friction of grains with one another detaches the silvery film, dries the coffee in about forty to fifty minutes, and gives the grain a polish of a natural bluish drab color. It is then passed to the fan mill and directly to the classifiers. The fan separates the perfect from the broken grains, dust, and skin, and the classifiers (one for each grade or class of grain) separate the grain into four sizes—round, large flat, medium, and small—though for all purposes it is sufficient in two classes, the flat and the round. When the coffee is properly cured and cleaned the large, small, round, or broken grains are equal in flavor, but buyers pay more for the round, next for the large grains; rejecting, when too many, broken grains. If the coffee looks stained black the flavor is very inferior. This comes from mildew, etc.

The flavor of coffee is so delicate that by only allowing the ripe berry to remain four days on the damp ground, it takes an earthy flavor and tends to darken the grain.

Statement showing the destination of coffee exported from the island of Porto Rico during the year 1886.

	Pounds.
Austria	601,800
Cuba	12,218,844
Spanish possessions	1,045,024
England	361,922
France	7,742,690
Germany	3,391,920
Italy	1,594,772
Spain	5,187,308
United States	1,478,892
Total in 1886	33,623,172
Total amount exported in—	
1885	41,982,610
1884	66,873,106
1883	37,024,646
1882	25,190,070
1881	46,755,648
1880	20,479,200

HAYTI.

REPORT OF CONSUL THOMPSON.

It is believed by European connoisseurs that the flavor of Haytian coffee is unequaled by any coffee in the world. In the United States such is not the case, but I imagine the reason to be that as compared to European consumption but little "café noir" is drunk; any coffee therefore is used with cream, which divides the flavor of the coffee.

As an article of export coffee has ever ranked as the chief export of Hayti.

CULTIVATION

In coffee Arabica, after Morean St. Méry, one carrean* of land, if there is an abundant crop, will produce 6,000 livres† of coffee prepared for the market. The historic island of Santo Domingo is composed of 6,000,000 hectares of land approximately, of which about two-thirds belongs to the Dominican Republic and one-third to the Republic of Hayti. In the one-third belonging to this Republic there are perhaps 3,000 hectares in cultivation of coffee, cotton, cocoa, logwood, mahogany, bananas, and vegetables of various kinds. It is estimated that there could be 15,000 hectares of land brought under cultivation of the 2,000,000 hectares belonging to the Haytians. In the year 1881 the exportation of coffee from Hayti amounted to 78,615,000 pounds (livres†) in round numbers; now allowing each coffee tree at a good harvest to produce 3 pounds of prepared coffee we find that in the year 1881 Hayti must have possessed at least 26,205,000 coffee trees, considering alone the figures of exportation. Now to show the value of labor, suppose that the planters had been continually occupied with the cultivation of their coffee trees, there would have naturally resulted an augmentation of the harvest from that year; but to the contrary, in 1882 there was a decrease of 26,000 pounds and in 1883 of 33,000 pounds, as shown later

* One carrean = 100 square meters. Hectare, 2,471 acres.
† Pounds (French) = about 500 grams.

on. To be a true cultivator of coffee one must live a very active life, as the trees require continual care.

The high regions are the best for the coffee plant, or on very irregular ground. A great quantity of coffee sows itself; that is to say, the coffee berries that fall or are thrown down at the time of gathering. Many fall at the time of maturity, caused by rats in this manner: Rats, attracted by the sweetness of the fruit, but not willing to risk themselves on the branches, cut them at their shoot, which causes the whole branch to fall with both ripe and green fruit, and from the quantity that thus falls to the ground each berry that is in a condition to germinate grows.

The flowering period is interesting to follow; it is carried on in accordance with the temperature of the region. First, the tree covers itself with beautiful white flowers of a delicious, penetrating odor, which, seen in the half obscurity of the opening or closing day, cause the plantation to resemble a collection of white phantoms.

Gradually, as you rise and gain the heights, this flowering follows the course. About January, February, and March all places are in flower, and if the rain favor certain quarters and the winds do not come with too much violence such places will furnish an abundant harvest.

The first flowering is followed by a second, and finally a third, and as they gradually follow each other monthly it is easily to be understood that the same tree, even the same branch, has fruit varying in size and degree of maturity.

The fruit of the December flowers, for example, ripen first, but as they had been turned a yellow color by the burning sun of June and July, give but an indifferent product; those of January ripen about September or October, and in the extremely elevated localities where the temperature remains at 16 to 18 degrees Réaumur, they are the latest to ripen, so up to March and April the trees are still covered with fruit that present the berry in all its different state of development.

The cultivator, careful about his crop, picks gradually the first fruit that ripens, dries and keeps them for his personal use; if not sufficient for the year, at least for the first months of the year.

When maturity is pronounced, unable to gather all the coffee himself, however large his family may be, he provides provisions, invites his neighbors and friends, who sometimes come from a great distance, and at the sound of the drum, aided by the favorite beverage, "tafia," they disperse themselves everywhere and pick.

The whole crop is gathered in heaps that are left exposed to the rain and sun during a time necessary for the pulp to rot. The larger the heap is the quicker the decomposition of the pulp. The bean itself is covered with a water-proof skin called "parchment." Between this parchment and the outer skin there is a sweet, gummy pulp, susceptible of an almost instantaneous decomposition. See a heap of beautiful cherries freshly gathered; it is of a bright red, of an admirable freshness; leave it for one night to the dew and on the morrow to the sun and of that pretty sight of the evening before you see but a putrescent mass. Scarcely twenty-four hours were necessary to produce this result.

A medium heap, say of 10 barrels, which is equal to about 330 pounds of prepared coffee, is left thus abandoned from five to six days, then it is spread out, exposed to the sun during the following seven or eight days. The rain may come without spoiling the coffee, because the skin not being cracked the water can not penetrate; but when, assisted by the sun, the envelope splits or is sufficiently dry to decompose by coming in contact with water this whole proceeding requires great care from the cultivator. The berries should be covered as soon as the weather

has a cloudy appearance, without which the coffee may suffer and run the risk of being spoiled should the rain fall.

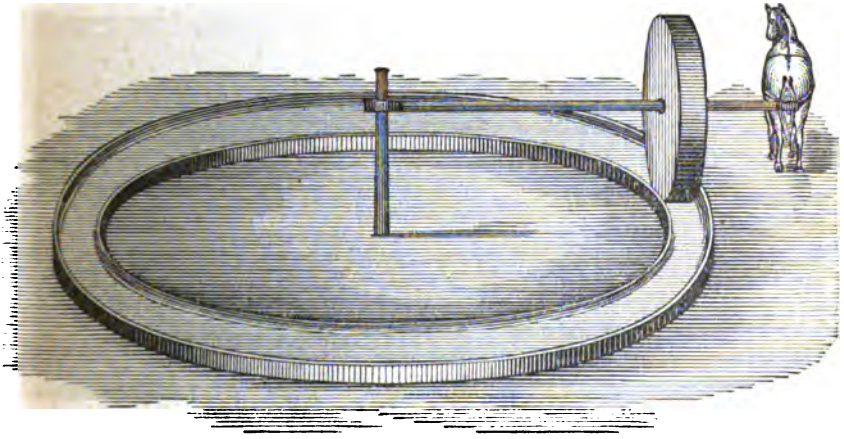
The cultivator has not to undergo a heavy expense to produce a cover. It is obtained with "taches;" that is, the outer covering of the leaf that surrounds the cabbage heart of the palm tree, which once a month detaches itself and from its own weight falls to the ground. It is absolutely water-proof, and with a half dozen of these taches sewed together you have an excellent cover. Buckets for carrying water are made with these taches, and not a drop of water leaks out.

After fifteen days, if the sun has been favorable, the cultivator perceives that his coffee is dry; the sound also indicates this to him if he breaks two or three berries between his teeth. The coffee is then hulled or stored away to sell later.

To hull it a "canot" trough is used, into which the coffee is thrown and a pestle used to beat it (the quantity put in is according to the size of the trough); then several persons take pestles and pound away, each one trying to out do the other. This finished, it is vanned; the vanner (or sifter) is simply a flat basket made of willow.

The coffee hulled, the sifter is half filled and then it is shaken up and down; thus the dust is thrown off, the little pieces of broken coffee gather in one end, and the good coffee in the other. The women are very skillful in this kind of work. When this is done the coffee is ready to be sent to town.

Some large plantations have preserved the mills of the French before the events occurred that drove them from the island. Here is as nearly as possible the design. The circle is made of sand and large stones united together with mortar; the circle is about 1 foot high; the coffee is thrown into it; a horse, by walking, turns a heavy wooden wheel, which crushes the exterior covering of the coffee and finishes by taking off even the fine skin that is to be found under the parchment, thus hulling it very well, but a great deal is broken, for this method is primitive and very imperfect. (See drawing.)



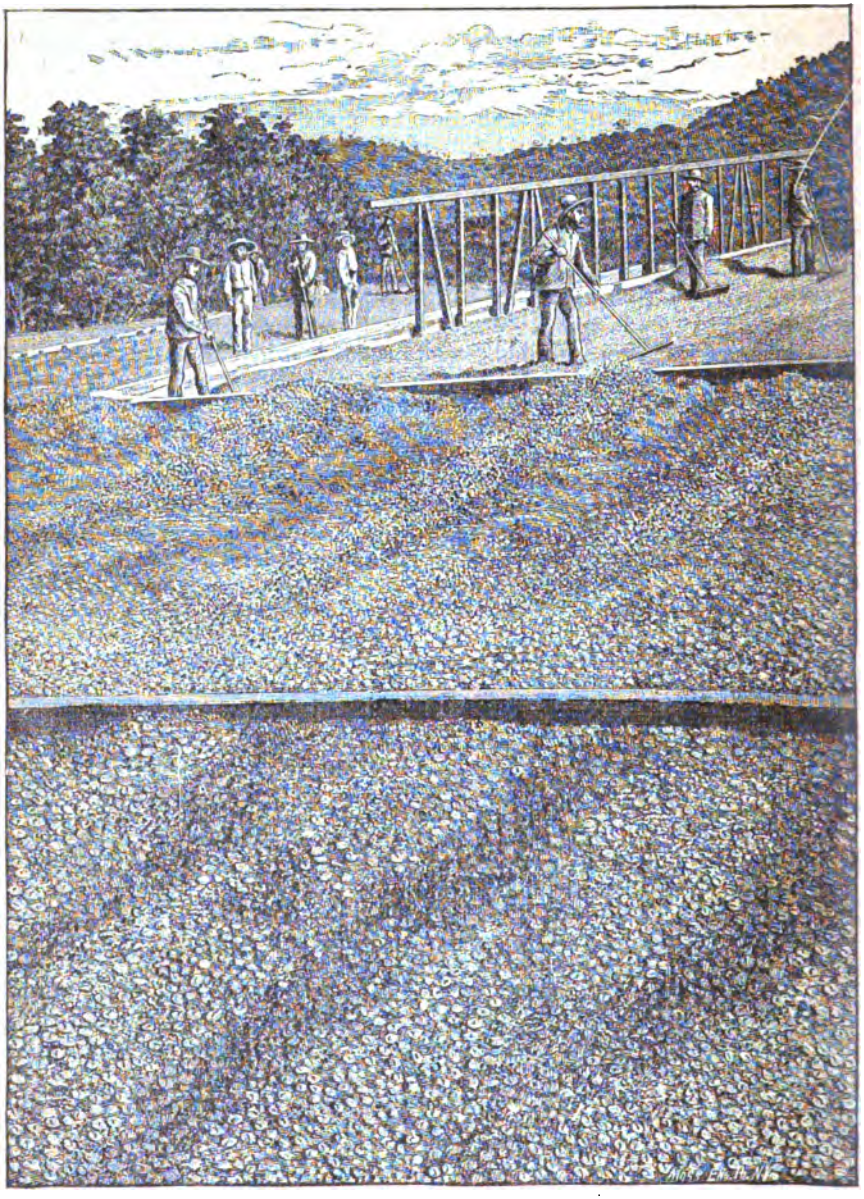
Ancient mill of the French for crushing the exterior covering of the coffee berry.

GLACIS FOR DRYING COFFEE.

In the country the natives make their glacis as follows:

The ground is flattened as much as possible, according to the nature of the soil, and on the approach of the harvest season they weed the

place; it is on this flat surface that the coffee is spread out and dried. When the harvest is over the weeds grow up again. About the ripening season they weed it, and from the frequent treading over the place it ends in becoming a hard surface and quite a fair though rudimentary



Glacis at Petion-Ville. Workmen raking over the coffee placed there to dry.

glacis, but which has cost absolutely nothing. If they would little by little arrange these glaces the product would be better; this could be done by paving, and over this paving passing a coat of cement.

The glacis made simply as large wooden platforms with a sliding cover are now thought to be better than those made of cement, for they retain the heat longer after the setting of the sun, whereas the cement becomes almost immediately cold. At the coffee works at Petion-Ville they have dispensed entirely with the cement-covered glacis.

It is generally in front of the house or in close proximity to it that the cultivator places his glaces, one or more of them, according to the importance of the plantation.

NECESSARY CARE TO KEEP COFFEE PLANTS HEALTHY.

When there is found on the coffee trees dead branches, or green ones half broken or bruised by the carelessness of the gatherer or by any other accident, they must be trimmed off up to the living wood in the shape of the mouth of a flute and damp earth applied to the wound.

The moment that the leaves of a coffee tree turn yellow the earth around the roots should be dug and examined to see if the roots are not attacked by worms or white lice. In such cases they should be rubbed with earth, made into mud, to kill these insects, the greater part of the earth around the tree should be taken away and fresh rich earth mixed with ashes and flowers of sulphur should be substituted, well pressed down around the roots with the hand, and some of the branches should be trimmed off in proportion to the size of the space dug around the tree. If the earth is not sufficiently damp care should be taken to water it. If these means fail, and after some time the coffee tree still continues to wither, it should be trimmed down as near to the ground as possible. If it preserves vigor, and there is not a local vice in the soil, it will throw out new sprouts. When these are weak, the strongest should be allowed to remain and the weaker ones trimmed off as near the body of the tree as possible, but not all should be trimmed off at the same time, however, but in succession, and at several days' interval. If this treatment does not succeed and the tree dies, the place occupied by the tree should be dug up and a hole much larger and deeper made, the earth should be dug out and thrown some distance away, because it is to be feared that there exists some vicious property in it. The hole should be left exposed to the effects of the sun and rain for some months, afterwards another tree should be planted in the same place, putting in fresh rich earth.

When lice are found on the branches, leaves, and fruit of the coffee tree the same treatment is recommended as when the leaves turn yellow. These trees are sometimes affected with a disease that is not indigenous to them. The leaves and branches and often the fruit of coffee trees are at times more or less covered with a black gum; this is an exudation of the sap, which remains on the exterior, and there exudes and dries up, preventing the evaporation of the sap. Old trees are more subject to this disease than young ones.

The turning yellow of the leaves described above should not be mistaken for disease; it is a warning given by the tree that it needs unloading, which must not be neglected as soon as the fruit becomes red. Care should be taken that the coffee-pickers take off the berry only, leaving the stem, so as not to injure the bark.

ORGANIZING COFFEE PLANTATIONS.

It is advisable to choose for transplanting strong, healthy trees, about 15 or 18 inches high, well branched, so as to avoid the propagation of disease should it exist.

There are two methods of setting out coffee plantations, one by transplanting young coffee plants taken from a nursery prepared expressly, the other by sowing the grains of coffee in the field. This last method saves trouble, and the trees, preserving their tap-roots, resist storms better. The planting of the grain in the field succeeds only in rainy sections.

The method of propagating by transplanting from a nursery is preferred, being the most successful, certain, and the most prompt production of the coffee tree. It is very essential, at all events, by either of the methods, to take precaution in regard to the seed. 1. To be sure that the berry to be sowed has no disease. 2. To choose large red perfectly-ripe berries, freshly picked and recently deprived of their pulp.

The most successful way of transplanting is in the following manner: First, a deep hole is dug, two plants are placed therein, one to the right, the other to the left, a little earth only is thrown on top, leaving still a hole; now, by the incline of the ground, with each rain the earth from above fills in the hole more and more, the rain washing in leaves and neighboring litter forms an excellent manure, which greatly helps the growth of the tree. Trees should be placed about 15 feet apart. Large shade trees protect the coffee plant; coffee planted without shade will not grow, and the beautiful green leaves of the plant become yellow in full light; yet there must not be much shade; the rays of the sun should be able to penetrate through the high shade trees onto the coffee trees.

Every two or three months, especially before the tree has reached a sufficient height for the branches to touch each other, the cultivator should weed carefully and root up any creeping plants that are there; the tree if left to itself will die, or at all events will not grow.

In weeding, the rubbish from each tree should be gathered under the tree, where it will rot, and, becoming manure, will enrich the ground. About the third year a few grains appear on the tree; but it is only on the fourth year that it bears a little, and should give an abundant crop the fifth year.

The place destined to be a nursery should be first plowed and well manured.

It is to be particularly recommended to choose coffee plants with the above-named precautions for the future well-being of the coffee plantations.

PREPARING THE SOIL.

It should be taken as a general rule that the holes in the newly-cleared-off land should be deeper and larger than those usually made, because the recently-cleared land still has larger or smaller roots which it is important to take out of the hole where it is intended to plant, because these dead roots breed a white worm that feeds on them and afterwards attacks the tap-root of the new tree and destroy it. It is noticeable that these white worms prefer the gum tree, the white olive, and the white fig tree. Care therefore should be taken to burn not only the branches of those three trees, but also their trunks, which should be cut down when clearing off the land, the branches piled upon these trunks in preference to others, then burned.

It is not disapproved to leave on the cleared-off land the trunks and branches of other kinds of trees, as they furnish in the course of time a very good fertilizer to the coffee tree.

This manner of clearing off the land is more quickly done and is less

expensive. Experience does not countenance the usage of burning the whole clearing except in cold and very damp sections, because it is very dangerous to the plant in dry quarters where the soil is naturally hot.

By applying these precautionary measures of prudence and wisdom, whatever may happen, it will always be certain that the coffee trees will be benefited from the healthy treatment, and will be ready when necessary to combat the developing of any evil that may attack them.

HEADING COFFEE TREES.

The system of breaking off the ends of the shoots is not at all advisable, for it causes many more shoots to spring out on the branch of the plant after the heading, which requires the cultivator to take more time to stop the higher growth of the young tree. Instead of breaking off the shoot that is found on the stem and the extremity of the tree to stop its growth, it is only necessary to twist the shoot on the branch at its extremity, and the end twisted should then be bent back to the branch. The sap is thus stopped where the branch is twisted and the heading done in a moment. Care should be taken to destroy the two buds found opposite to each other at the base of the twisted branch; the shoots are then destroyed to prevent their growing. What gives the advantage to this system over the other is that fewer shoots come and the cultivator gains time at the work, as the shoots must be destroyed after the heading and at the last quarter of the moon, which is considered the best time. After this work the coffee tree vegetates less, but spreads and develops quickly on all sides. The heading, by making the trees of a certain height, facilitates the gathering of the coffee berries.

STATISTICS OF PRODUCTION, ETC.

It is a very difficult matter to obtain statistical information here, but the following with regard to the years 1861 and 1862 are given as to the exportation of coffee from Port au Prince alone to different countries.

Destination.	1861.	1862.
	Pounds.	*Pounds.*
United States	3,779,741	2,496,299
France	6,867,681	7,899,199
Great Britain	2,179,458	4,961,573
Germany	1,810,600	503,842
Belgium	231,348	424,449
St. Thomas	22,281	18,961
Curaçoa	.....	4,790
Turk's Island	.....	8,719
Denmark	254,182	278,870
Spain	164,991	.....
Italy	372,811	42,210

The following table will exhibit the estimated number of pounds exported in the years from 1881 to 1886:

	Pounds.
1881	78,614,438
1882	51,702,929
1883	45,000,000
1884	53,925,217
1885	74,046,371
1886	58,075,733

The amount of exported coffee for any year can not give the entire production of the year. It is estimated that there is a growth of coffee

during a year favorable to the crop of 100,000,000 of pounds; allowing 15 pounds per year to each inhabitant of 1,000,000 and 10 per cent. for waste, we have a less amount for exportation than was shipped in 1881, and about the same as was shipped in 1885.

It may appear inaccurate to give 10,000,000 pounds for waste, but we must take into consideration—

(1) Coffee picked before it is perfectly ripe becomes black; such is rejected.

(2) If by a sudden shower coffee that is drying gets wet, the humidity and fermentation that follow make black grains; this is rejected by buyers.

(3) If the coffee is gathered after it is so ripe that it has fallen to the ground, the major portion will be of black grains; also rejected.

(4) Debility of each coffee tree after bearing a heavy production, being followed by a feeble crop generally.

The consumption at 15 per cent. is moderate but quite accurate; perhaps in addition to this the unsalable black grains are also used for home consumption.

The coffee of Hayti is exported mostly to France, and that which goes to the United States is generally transshipped there. The table below will show the exportation to Havre, France, for several years past:

EXPORTATION TO HAVRE.*

	Pounds.
From 1881 to 1882	52,155,852
From 1882 to 1883	56,802,369
From 1883 to 1884	74,046,371

In 1885 there arrived in Havre 528,353 bags of coffee from Hayti (each bag weighing 65 kilograms—130 pounds, more or less). Of this amount there was an outlet for 444,013 bags, and of this about 100,000 bags were re-exported, the rest, 344,000 bags, being consumed in France.

A fair average of the amount of coffee sent to the United States as compared to that which goes to France may be realized by the fact that, as shown above, 68,000,000 pounds were exported to Havre during the year 1885, while for our fiscal year 1884–'85,† including that in transit via the United States perhaps to Havre, but 17,821,543 pounds were declared from the United States consulates in Hayti; and for the fiscal year ending June 30, 1887, the declared exportation of coffee from Port au Prince was 9,760,006 pounds; of this, but 93,136 pounds went to the United States, some of it, too, being in transit.

Below is a table giving the amount of coffee exported from the five subordinate consular agencies on the southern coast of Hayti:

Jacmel.

Years.	Production.		Average price in Hayti, per pound.	Exportation to—		
	Pounds.	Value.		United States.	England.	France.
			Cents.	*Pounds.*	*Pounds.*	*Pounds.*
1880–'81	13,177,598	$1,316,600	7½	5,503,830	1,606,238	6,007,530
1881–'82	10,818,606	1,026,200	7½	6,303,533	1,200,181	3,314,892
1882–'83	12,006,155	1,140,500	7	6,791,921	1,612,328	3,601,906
1883–'84	7,146,309	568,100	6½	2,904,559	.....	4,241,750
1884–'85	14,495,555	1,452,200	7	8,562,935	.....	5,932,620
1885–'86	11,349,671	1,469,500	9½	6,316,943	.....	5,032,728
1886–'87	9,460,000	1,985,400	18	4,160,000	.....	5,300,000

* Le Bulletin Official des cours du Café Février. 1886.

† The year does not include the same months as the preceding table.

Petit Godve.

Years.	Production.	Average price in Hayti, per pound.	Exportation to—			
			United States.	England.	Germany.	France.
	Pounds.	*Cents.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
1880-'81	7,539,769	7½	3,518,347	837,376	752,997	2,431,051
1881-'82	5,629,726	6	4,251,526	301,677	204,372	872,251
1882-'83	6,744,371	5	2,446,657	530,802	417,320	3,349,598
1883-'84	4,295,910	8	4,364,939	17,892	11,677	601,702
1884-'85	7,846,376	7	568,900	897,372	752,637	5,007,467
1885-'86	7,637,956	6	633,502	1,002,107	1,002,147	5,000,200
1886-'87	4,415,296	10 to 22	702,721	410,275	302,300	3,000,000

Aux Cayes.

Years.	Production.		Average price in Hayti, per pound.	Exportation to—				
				United States.			Europe.	
	Pounds.	Value.		Selling price abroad.	Pounds.	Value.	Pounds.	Value.
			Cents.	*Cents.*				
1884-'85	8,074,906	$605,617.95	7½ to 8	9 to 10	3,725,710	$348,027.64	4,349,196	$391,750.00
1885-'86	5,941,071	594,000.00	9½	15 to 17	1,941,000	272,330.00	4,000,071	650,870.00
1886-'87	4,515,712	377,356.20	8 to 9	11 to 12	931,500	110,792.47	3,584,212	430,105.44

NOTE.—Production and exportation statistics for 1880 to 1884 are not to be found out; the books of the custom-house being burned.

Jeremie.

Years.	Production.	Average price in—		
		Hayti.	England.	France
		Cents.		*Francs.*
1884-'85	$323,162	6½ to 10	*36*s.* 6*d.*	†50 to 70
1885-'86	248,835	6-7 to 8		70-83.50
1886-'87	264,805	10 to 17		†100-114-117

* Per 100 pounds. † Per 50 kilograms.

Miragoane.

Years.	Coffee produced sent to Port au Prince.	Coffee exported to United States or Europe.	Prices.	Lands cultivated.	Average produce per acre.	Character of coffee.
	Bags.	*Bags.*	*Cents.*	*Square miles.*	*Bags.*	
1880-'81	35,000	2,452	3½ to 5½	213	12	Coffee cured on the ground; more or less gravel and sand mingled with it, which makes it unsalable. If properly cured, none in the world is superior to it.
1881-'82	48,000	700	4½ to 5½	213	12	
1882-'83	48,000	700	4½ to 5½	213	12	
1883-'84	40,000	369	7 to 8	213	12	
1884-'85	45,250	2,700	6 to 6½	213	12	
1885-'86	26,000	1,000	9 to 21	213	18	
1886-'87	22,000	3,000	9 to 21	213	12	

NECESSITY OF MACHINERY.

It is absolutely necessary that machinery of different kinds be introduced into this country, small pulping machines and drying machinery.

The system now practiced by the coffee-works is to buy the coffee in the berry only. Consequently they can buy at a much lower figure than if the coffee was cleaned and dried. I have lately been trying to interest the coffee merchants who have plantations at distances from the coffee works in the American evaporator of Waynesborough, Pa., as this evaporator does away with pulping and is quite portable and in price reasonable.

There has scarcely been any introduction of hand-mills for pulping. These mills would save a great deal of coffee that is now wasted during rainy weather by fermentation, owing to the inability of the cultivator to convey his products to the works. Supposing the coffee to be pulped, it could then be washed, after which placed in a bin where the air could circulate and thus dry, no matter how rainy the weather. There could thus be a greater quantity of coffee put on the market by the ordinary cultivator.

COFFEE WORKS.

The coffee works at Petion-Ville, the idea of Mr. Octave Francis, was commenced as an experiment in the year 1879. It then consisted of one drying machine, Stuytevant's, of Boston, Mass., No. 4, capable of drying 2,500 pounds in twenty-four hours. These works have rapidly progressed and now important improvements are being made. A new and additional machinery, Stuytevant's No. 7, for coffee drying is being erected. It is capable of drying 10,000 pounds in twenty-four hours. They also are using the Mocha Separator No. 2, of George L. Squires & Bro., of Buffalo, N. Y. The steam power is the machinery of J. Wheelock, Jose Guardëolas' patent, size I.

There are also coffee works at the Rivière Froid. At Petit-Goâve the "Usines Centrales," "Central Works," owned by Simmonds Brothers, is conducted on by far the largest scale of any other in Hayti. The grounds are immense, the latest machinery of all kinds is employed, and the enterprise has been a grand success.

The following table exhibits the number of pounds F.* of coffee exported from the different open ports of Hayti during the fiscal year ending June 30, 1887, as published in "Le Moniteur:"

	First quarter.	Second quarter.	Third quarter.	Fourth quarter.
Port au Prince	1,412,335	2,888,131	4,098,209	1,361,331
Cape Haytien	946,213	1,027,969	3,125,780	973,788
Aux Cayes	639,552	1,791,780	1,737,799	467,787
Jacmel	1,090,786	2,644,082	4,002,256	1,525,155
Gonaives	696,517	1,188,299	2,419,233	902,491
Jeremie	308,231	787,301	1,003,631	638,762
St. Marc	84,581	53,125	620 934	160,512
Petit Goâve	678,713	1,092,462	1,774,379	655,626
Port de Paix	20,353	36,815	329,269	76,163
Miragoane	.....	.....	273,910	89,720
Acquin	17,722	28,430	2,782	15,650

JOHN E. W. THOMPSON,
Consul-General.

CONSULATE-GENERAL OF THE UNITED STATES,
Port au Prince, Hayti, April 2, 1888.

*French weight.

SAN DOMINGO.

REPORT OF CONSUL ASTWOOD.

In consequence of the difficulty in procuring agricultural statistics in this country, I have been tardy in replying to the requirements of the Department circular dated September 2, 1887, relating to the production and movement of coffee in this consular district.

After a careful and strict investigation of the cultivation and movement of coffee in this consular district I have to reply that whilst there are vast and incalculable areas of lands well adapted to this plant, very little has been done until recently in the development of the industry, the past commerce of the country being confined to the exportation of the various kinds of valuable woods which abounded near the sea-coast of the district. This commerce having become somewhat exhausted in consequence of the wood of large dimensions being all taken away from the accessible regions, and there being no roads or easy means of transportation from the interior forests, this industry was practicably abandoned for that of sugar producing. Large amounts of foreign capital were invested in this industry and the people gave their attention exclusively to the production of this staple.

The development of the large quantity of beet-root sugar in Europe by virtue of the bounty system having produced such a shrinkage in the price of sugar that many of the planters have become bankrupt producers are looking for a more productive commodity; hence coffee and cocoa plantations are increasing rapidly.

In answer to question first, I would state that the average production per acre is about 1,800 trees, averaging one pound and a half each tree, giving an average product per acre of 2,700 pounds of coffee.

The area capable of being cultivated is immense; but as there are no public surveys here, and the country being so sparsely settled, there is no accurate means of knowing the exact quantity of available lands, but in the districts of Santo Domingo, San Cristobal, Bain, Manuel, Seybo, Azua, Neyba, Barahona, etc., there are hundreds of thousands of acres of lands well adapted to the cultivation of this valuable plant, that may be brought under cultivation with great facility.

In this connection it might be well to state how the lands are owned and how they may be acquired. First, there are State lands, owned by the General Government, and municipal lands, controlled by the city councils or ayuntamientoes. Second, commune lands, owned by the community, or inhabitants, who may be in possession of the shares or actions, granted from time immemorial and transferred from generation to generation. Thirdly, real estate lands.

The Government lands may be acquired gratis wherever found, for the purpose of cultivation, by applying to the proper authorities, and when the person to whom the lands are granted establishes the fact of having a certain quantity under cultivation, the Government then cedes the lands in absolute ownership; this applies to foreigners as well as to Dominicans.

The commune lands are acquired by settling in the community and purchasing from $1 to $100 in sections. The person or persons so purchasing have then the right to inclose an unlimited number of acres and call for a public survey. The price of the survey is $40 per caballeria. A caballeria is about 200 English acres. This "deslindado" or separation is effected by the licensed public surveyors. The land so

"deslindado" or separated then becomes personal or real estate property.

Real-estate property is acquired just in the same manner as it is purchased in the United States. The mortgages or incumbrances against property must be recorded upon the record of mortgages and deeds; the incumbrances not recorded are not valid in law. The price of these lands varies in accordance with the locality, averaging from $100 to $500 per caballeria or 200 acres.

In answering the second question relating to the statistics of production, consumption, and exports, with the quantities taken by each of the more important purchasing nations, I have deemed it best to make a tabulated report, which is hereto annexed. It will be seen from the table that the production is very little more than the consumption. During the years from 1880 to 1887 the district produced 60,118,376 pounds and consumed 57,655,242 pounds, exporting the small quantity of 2,405,134 pounds. During the year 1887, the last crop, we had a production of 7,652,343, an increase over all other years, yet we had also an increase in consumption amounting to 7,596,501 pounds, leaving only 55,842 pounds exported.

In this consular district we have under cultivation, from the reports of the various communes, only 67 caballerias or 13,400 acres, with 7,143,425 trees, which will in two years more than double the present crop. Whilst 1½ pounds per tree is the least possible minimum yield, the general yield is from 2 to 5 pounds per tree. The district contains thousands of caballerias of lands well adapted to this valuable plant, It needs but enterprise, emigration, and capital to make it one of the principal coffee-producing countries of the West Indies.

The prices, during the selling seasons, average from 8 to 15 cents per pound, as will be seen by the tabulated report.

But little attention is given here to the various grades or quality produced. Generally speaking, there are but two grades or classes, the large flat grain, of a yellowish hue; the other, small and rounded, of a bluish color; but both are always mixed, as no care is taken in sampling or grading.

There is no special mode of cultivation. The trees are planted without any pretensions in preparing or cultivating the ground, but irregularly and indiscriminately, and are left to grow without care like any other forest tree, and begin to produce from two years, reaching full production from three to five years and continuing to produce for an indefinite period. The harvest begins in October of each year and continues three or four months. The fruit is picked from the trees like berries and then placed in the sun to dry. It is then hulled by an ordinary pounding process, then gathered, put into bags, and brought to market upon the backs of animals, there being no wagon or railroad transportation facilities.

It has been decided by connoisseurs that if proper attention were given to the cultivation and preparation of the product, the coffee of San Domingo would compete with the very best grades produced by any country; that even in its ordinary state it has an excellent flavor and aroma.

The district of La Vega, Lamaná, Porto Plata, and other localities of the Cibao, with immense quantities of valuable and fertile lands, are also well adapted to this indigenous plant.

Report upon the production and movement of coffee in the consular district of San Domingo from the year 1880 to date, with statistics of production, consumption, export, and prices, etc.

Year.	Quantity produced.	Quantity consumed.
	Pounds.	*Pounds.*
1880	7,378,260.00	6,843,750.00
1881	7,644,082.26	6,946,406.26
1882	7,446,105.35	7,050,602.35
1883	7,381,746.38	7,156,361.38
1884	7,408,614.86	7,263,706.80
1885	7,656,257.39	7,372,662.39
1886	7,550,965.33	7,483,252.33
1887	7,652,343.11	7,590,501.11
	60,118,376.62	57,713,242.62

Year.	Quantity exported to—										Total.	Prices.
	France.	Geneva.	Liverpool.	Malaga.	New York.	St. Thomas.	Cuba.	Barcelona.	Martinique.	Curaçoa.		
1880	80	397,762	.....	.....	100,691	1,695	.....	7,293	1,650	25,341	534,512	$11.00
1881	.....	613,376	.....	.....	53,120	25,380	.....	4,150	.....	1,650	697,676	8.00
1882	.....	212,035	.....	.....	124,280	45,588	.....	13,500	.....	100	395,503	8.00
1883	.....	193,155	.....	.....	.....	20,790	11,000	.....	4,400	.....	225,385	8.50
1884	12,500	83,431	.....	.....	14,504	9,043	.....	.....	18,430	.....	144,908	8.00
1885	52,177	89,123	.....	.....	6,885	135,410	.....	.....	.....	.....	283,573	13.00
1886	1,253	29,750	20,500	.....	.....	14,360	.....	.....	.....	1,800	67,713	9.00
1887	16,585	.....	.....	4,782	21,800	.....	.....	.....	.....	12,675	55,842	18.00
	82,515	1,618,632	20,550	4,782	321,280	252,266	11,000	24,943	20,520	41,566	2,405,134	

H. C. C. ASTWOOD,
Consul.

APPENDIX.

THE COFFEE TRADE OF EUROPE.

REPORT BY CONSUL LANG, OF HAMBURG.

Hamburg has always been the most important coffee market of Europe, but of late years the trade in this article has dropped off to a marked extent.

A new impetus was given to the coffee trade by the introduction on June 11, 1887, of dealings in futures or "Termingeschäfte," as they are called. It was not without a good deal of resistance on the part of the old Hamburg firms that this mode of operating was finally introduced. Numerous scruples had to be overcome, until finally it was resolved to establish a clearing-house ("Liquidationskasse"), and by this means to smooth the road to this business.

The unsteadiness thereby caused for the real or actual business was by no means disregarded. The advantages were far too predominant, so that the few disadvantages connected with this manner of operating were not worth consideration. There was danger of Hamburg's being outstripped entirely by Havre, where dealings in futures have long been carried on. The large quantities of coffee which were of course necessary for this purpose there, were purchased in Santos, causing a disagreeable competition for Hamburg in the purchasing. Besides big lots were shipped to Harve on consignment, the market there being more active than in Hamburg.

Such lots as actually found their way into the open market were then shipped to Germany, where Santos coffee is principally consumed, causing a heavy competition in the Hamburg market.

As far as can be at present ascertained, the arrangements now made will tend to set aside these rivalries. Such were the principal reasons why the merchants were induced to give up the old and more conservative manner of the coffee trade.

The inclination to speculate appears to have taken a general hold of the business public, and such orders as were formerly sent to Havre are now executed here. To be sure, in former years enormous speculative ventures were made on the Hamburg Exchange in other articles, as, for instance, zinc, petroleum, rape-seed oil, etc., for account of outside speculators, but they by no means reached the magnitude of the present speculative trade in coffee.

Perhaps no article of merchandise is so well suited to this purpose as coffee.

Through the advanced civilization of Brazil the business world is enabled to daily inform itself by means of the cable of what is going on in the markets of that country. Then, again, two or three times a day

information is furnished of the transactions in Havre and New York, and from here this information is soon imparted to the whole continent.

The clearing-house, with its strictly observed by-laws, assures perfect security for contracts entered into. Dealing in futures can be carried on through this clearing-house only. On the closing of a sale, which can under no circumstances be smaller than 500 bags, both buyer and seller must immediately deposit with the clearing-house a margin of 6 marks ($1.43) per bag, and this margin must be kept good until the expiration of the contract. Most of the larger dealers keep lump sums on deposit with the clearing-house for which they receive 3 per cent. interest.

There remains no doubt that the importation of coffee has been considerably increased through the introduction of this dealing in futures; this market has gained what the French market has lost.

The imports for the first six months of the great crop of 1886 were considerable, and it is probable that the "Termingeschäft," then just being started, was one of the causes. The stock on hand increased rapidly, and when the clearing-house had gotten fairly into working order there was ample coffee in warehouse. In the latter half of 1887 the imports showed a marked decrease. The Brazil houses held back their coffee in view of the high prices. Eventually, however, the United States showed a demand, and their purchases have tended to decrease the stock in Rio. In Santos, however, prices are still kept at top figures and the stock is comparatively great. It might be well to remark that the quotations for coffee in the Hamburg clearing-house apply to "good average Santos" only.

The transactions through the clearing-house from June 11 to December 31, 1887, were as follows:

	Bags.
June	1,007,000
July	754,000
August	750,000
September	580,000
October	1,076,500
November	1,525,500
December	1,580,500
Total	7,273,500

The marked falling off in transactions during July, August, and September is generally attributed to heavy failures in the New York coffee trade which had a very depressing effect here.

During 1887 the total imports of Hamburg in coffee amounted to 176,400,000 pounds, against about 201,600,000 pounds in 1886, a decrease of about 25,000,000 pounds.

From Brazil there were received 791,504 bags, equal to 47,400,000 kilograms, against 865,994 bags, equal to 52,000,000 kilograms, in 1886. This decrease of 84,490 bags, or 4,500,000 kilograms, is principally in Rio coffee, whence 174,203 bags, or 10,400,000 kilograms, against 268,295 bags, or 16,000,000 kilograms, in 1886, were received; a decrease of 94,092 bags, or 5,600,000 kilograms.

As Rio coffee is consumed principally by the United States, little remains at European disposal, a circumstance which in a measure accounts for the fact that prices for Rio coffee were on the average generally higher. Europe, however, must have these coffees and will be obliged to pay the prices demanded, however high they may be.

Santos exported to Hamburg 557,859 bags, or 35,500,000 kilograms, against 533,804 bags, or 32,100,000 kilograms, in 1886; an increase of 24,055 bags, or 1,400,000 kilograms.

Bahia, Ceará, and Victoria shipped about the same quantity as in 1886, viz : In 1887, 59,442 bags; in 1886, 63,875 bags.

La Guayra shipped considerably less in 1887 than the year previous: In 1886, 188,838 bags; in 1887, 86,555 bags; a difference of nearly 1,000,000 kilograms.

Maracaibo's exports from July 1, 1886, to June 30, 1887, amounted to 18,500,000 kilograms, and from July 1, 1887, to October 31 of the same year to 5,500,000 kilograms. Most of the Maracaibo coffee goes to New York. Hamburg's import for 1887 was only 12,435 bags as compared with 15,897 bags in 1886. The receipts of Domingo coffee were 49,325 bags in 1887, and 52,417 bags in 1886.

Guatemala and the rest of Central America shipped to Hamburg 56 barrels, 232,869 bags, or 17,500,000 kilograms, against 16,100,000 kilograms in 1886.

The coffee in warehouse on January 1 for the past three years in the eight principal markets of Europe was distributed as follows:

Destination.	1888.	1887.	1886.
	Tons.	*Tons.*	*Tons.*
England	16,150	15,400	17,050
Hamburg	19,550	16,500	19,000
Antwerp	5,100	7,200	11,250
Havre	30,750	44,450	72,950
Bordeaux	2,350	2,000	5,700
Marseilles	2,300	2,150	5,200
Trieste	5,700	6,500	8,000
Netherlands	37,300	30,150	51,550
Total	119,200	123,850	190,700

The total receipts in the above eight markets during 1887 and 1886 were:

Destination.	1887.	1886.	Destination.	1887.	1886.
	Tons.	*Tons.*		*Tons.*	*Tons.*
England	52,370	51,470	Marseilles	11,810	12,100
Hamburg	88,200	100,800	Trieste	29,350	39,730
Antwerp	25,250	37,390	Netherlands	67,410	49,780
Havre	72,030	75,660			
Bordeaux	7,200	6,420	Total	353,560	373,350

The following tables show for each year from 1882 to 1887 the quantity of the various kinds of coffee imported into Hamburg:

Description.	1882.			1883.		
	Casks.	Bags.*	Total.	Casks.	Bags.	Total.
			Pounds.			*Pounds.*
Santos	.....	383,359	46,000,000	.....	440,831	52,900,000
Rio	.....	482,294	59,900,000	.....	356,568	42,800,000
Bahia and Ceara	.....	55,457	6,700,000	.....	90,760	10,900,000
La Guayra and Curaçoa	.....	168,402	16,800,000	.....	135,162	13,500,000
San Domingo	.....	44,184	5,300,000	.....	32,158	3,900,000
Maracaibo and Savanillo	.....	27,545	2,700,000	.....	19,796	2,000,000
Costa Rica and Guatemala	.....	121,085	14,500,000	.....	235,636	28,300,000
Porto Rico	8	23,476	2,800,000	19	22,295	2,700,000
East Indies	65	89,194	10,700,000	31	105,330	12,600,000
All other	13,293	185,990	32,200,000	4,223	197,602	28,200,000
Total	13,366	1,584,556	197,600,000	4,273	1,636,133	197,800,000

Description.	1884.			1885.		
	Casks.	Bags.	Total.	Casks.	Bags.	Total.
			Pounds.			*Pounds.*
Santos	.....	462, 144	55, 500, 000	.....	453, 218	54, 400, 000
Rio	.....	276, 942	33, 300, 000	.....	289, 333	34, 700, 000
Bahia and Ceara	.....	56, 053	6, 700, 000	.....	33, 853	4, 100, 000
La Guayra and Curaçoa	.....	83, 690	9, 400, 000	.....	98, 642	9, 900, 000
San Domingo	.....	44, 188	5, 300, 000	.....	63, 273	7, 600, 000
Maracaibo and Savanillo	.....	15, 767	1, 600, 000	.....	9, 510	900, 000
Costa Rica and Guatemala	.....	199, 074	23, 900, 000	.....	245, 203	31, 900, 000
Porto Rico	2	6, 196	700, 000	1	18, 715	2, 200, 000
East Indies	68	71, 744	8, 600, 000	51	86, 087	10, 400, 000
All other	3, 948	227, 408	31, 900, 000	3, 156	259, 894	35, 600, 000
Total	4, 018	1, 443, 206	175, 900, 000	3, 208	1, 557, 728	191, 700, 000

Description.	1886.			1887.		
	Casks.	Bags.	Total.	Casks.	Bags.	Total.
			Pounds.			*Pounds.*
Santos*	.....	533, 804	64, 100, 000	.....	557, 859	66, 900, 000
Rio	.....	269, 295	32, 200, 000	.....	174, 203	24, 900, 000
Bahia and Ceara	.....	63, 895	7, 700, 000	.....	59, 442	7, 100, 000
La Guayra and Curaçoa	.....	108, 838	10, 900, 000	.....	86, 555	8, 700, 000
San Domingo	.....	52, 417	6, 300, 000	.....	49, 325	5, 900, 000
Maracaibo and Savanillo	.....	15, 897	1, 600, 000	.....	12, 435	1, 200, 000
Costa Rica and Guatemala	23	214, 238	32, 100, 000	56	232, 869	35, 000, 000
Porto Rico	39	24, 742	3, 000, 000	1	9, 587	1, 200, 000
East Indies	190	74, 838	8, 500, 000	.....	53, 941	6, 500, 000
All other	4, 125	251, 607	35, 200, 000	1, 397	170, 897	23, 000, 000
Total	4, 377	1, 605, 571	201, 600, 000	1, 454	1, 407, 113	176, 400, 000

*The weight of bags of coffee for the several countries are given by Consul Lang as follows: Venezuela and Colombia, 100 pounds; Brazil, San Domingo, Central America, Porto Rico, and East Indies, 120 pounds; other countries, 130 pounds.

Quite a remarkable and interesting circumstance will be found in the fact that no inconsiderable shipments of coffee were made from Hamburg to the United States during the past year. They were distributed over the four quarters as follows:

First quarter	$17, 508. 29
Second quarter	79, 982. 23
Third quarter	115, 365. 68
Fourth quarter	26, 873. 07
Total	239, 729. 27

The difference in prices between Hamburg and New York was so great that shippers were sure of selling their coffee in New York at a profit after paying freight and all other expenses. It will be noticed that the shipments were largest when the dealings through the clearing-house were smallest.

Why Hamburg coffee should find a market in the United States at a profit to the shippers may be accounted for through the large and increasing trade of Germany with the South American States and the splendid facilities of ocean transportation which are ever to be found at Hamburg. The vast exports to those countries in German bottoms enable the ships to take return cargoes at a low rate of freight. It is one of the advantages which a fine merchant marine furnishes to a country.

WM. W. LANG,
U. S. Consul.

UNITED STATES CONSULATE,
Hamburg, February 8, 1888.

RECENT PROGRESS

OF

FOREIGN TRADE.

REPORT OF R. GIFFEN.

RECENT PROGRESS OF FOREIGN TRADE.

REPORT OF R. GIFFEN.

The SECRETARY OF THE BOARD OF TRADE:

SIR: In conformity with your directions I have examined the statistics of the foreign trade of different countries in order to throw light on the question which has been discussed lately as to the alleged greater relative progress which the imports and exports of certain foreign countries, especially the exports, have made than has been made by the imports and exports of the United Kingdom.

The chief country which is alleged to have made relatively greater progress than this country is Germany; but the figures as to France and the United States, which are the chief competitors with the United Kingdom in manufacturing, have also been examined.

In making this examination it might be thought in the first instance sufficient to examine the import and export returns of each of the countries concerned. Each country has import and export statistics and the figures can be directly compared. But the objection may be made that these returns are not necessarily on the same basis, an "export" and an "import" meaning not quite the same thing in the returns of each country, while in the case of Germany such figures would go back only a little way, the statistics of German imports and exports having only been made up on the present basis since 1879, if, indeed, the figures can be properly compared for more than two or three years back. While not neglecting direct comparison, therefore, I have thought it expedient to examine most carefully the import and export statistics of the different countries with which the above four countries transact their business. The figures thus obtained are in each case on the same basis, and are properly comparable as between the four countries named. This method also furnishes a new element in the comparison, as showing how much of the foreign trade of each country at different times has been carried on with the United Kingdom, Germany, France, and the United States, respectively.

Taking first the figures which are obtainable directly from the statistics of the four countries themselves, the relative progress is shown in the following table, as far as possible, for the last ten years, which has been found the most convenient period to work upon in the subsequent detailed comparisons, partly because a little further back every comparison is thrown out by the condition of inflation which existed in 1871–'73, and partly because the data are less complete the farther we go back.

Imports (general) and exports (special) of the undermentioned countries in 1875–'77 *and* 1884–'85 *compared.* [*From their respective trade returns.*]

Countries.	1875–'77.	1884–'85.	Increase or decrease.	
Imports:				*Per cent.*
United Kingdom	£381,000,000	£381,000,000		
Germany*	241,000,000	229,000,000	−£12,000,000	− 5
France	185,000,000	203,000,000	+ 18,000,000	+10
United States	100,000,000	130,000,000	+ 30,000,000	+30
Exports:				
United Kingdom	207,000,000	223,000,000	+ 16,000,000	+ 8
Germany*	130,000,000	151,000,000	+ 21,000,000	+16
France	145,000,000	126,000,000	− 19,000,000	−13
United States	112,000,000	151,000,000	+ 39,000,000	+35

* See above, paragraph 3.

Such as they are these figures do not by any means suggest that German trade generally has been developing enormously in comparison with the development of the trade of the United Kingdom, while the increase in French imports is more than set off from the point of view of the present inquiry by the decline in the exports. The increase in the trade of the United States is great and conspicuous, but apparently the trade is not of a kind which comes into competition with that of the United Kingdom, and, as far as the exports are concerned, is largely an increase of trade with the United Kingdom itself.

As has already been remarked, however, these direct figures are subject to the observation that owing to differences of method the returns may not properly be comparable, and it is proposed to find a common basis in the returns of the chief countries with which the above countries carry on their import and export business as far as the records available in this department permit.

Coming to this examination I have now to submit the annexed tables, A, B, and C, which are prepared from the countries named on the left-hand side of the page in Tables A and B so as to show the trade of each of these countries with the United Kingdom, Germany, France, and the United States, respectively. The points which it is sought to bring out are the amount of the trade in each case, the proportion of such trade to the total trade of the various countries named on the left-hand side of the tables A and B, and how much these amounts and proportions have increased or diminished in recent years. The figures are in each case on a common basis as far as their bearing on the trade of the countries named at the top of the tables, viz, the United Kingdom, Germany, France, and the United States, is concerned.

The countries in the Tables A and B, it will be observed, are arranged geographically to some extent, geographical position having apparently had some influence on the currents of trade to be noticed. Table C is a special table introduced, as will be noticed presently, to illustrate a special point.

The first set of tables (A) relate to the imports into each of the countries whose returns have been examined from the United Kingdom, Germany, France, and the United States, respectively; that is, the exports from the latter countries to the former. It is to be noticed that in almost all cases the amount of the trade carried on with the United Kingdom in the latest years compared is larger than that carried on with any of the three other countries that are our princi-

pal competitors in the foreign trade. This is brought out clearly by a comparison of the percentages as follows:

*Statement showing the amount of the imports of the undermentioned countries and the proportion of their import trade carried on with the United Kingdom, Germany, France, and the United States, respectively.**

Countries.	Total	Proportion from—			
		United Kingdom.	Germany.	France.	United States.
		Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
Russia in Europe	£42,000,000	26	36	4	.....
Norway	8,000,000	26	29	3	4
Sweden	18,500,000	26	28	3	2
Denmark	14,500,000	22	37	2	6
Belgium	55,500,000	13	13	19	10
Spain	31,000,000	18	12	25	12
Italy	59,000,000	20	8	23	4
Roumania	11,000,000	20	15	7	.....
Egypt	7,250,000	47	1	14	1
Argentine Republic	20,000,000	38	8	16	7
Uruguay	5,000,000	28	10	17	7
Chili	10,000,000	39	19	16	7
China	22,000,000	28	.....	.....	4
Japan	6,000,000	43	7	5	9
British India	67,000,000	75	0.2	1	2
Straits Settlements	18,500,000	22	1.3	1	1.1
Ceylon	4,500,000	26	.....	0.3	0.2
Mauritius	2,500,000	22	.....	16.3	0.3
Australia	61,500,000	52	0.3	0.7	3.8
Natal	1,500,000	80	.....	.....	2.9
Cape of Good Hope	5,000,000	77	0.9	.....	2.3
British North America	25,000,000	38	1.7	1.5	42.4
British West Indies	6,000,000	38	.....	2	19.9
British Guiana	2 000,000	53	.....	.....	19.3

*Holland is omitted from this table, though included in Tables A and B annexed, the foreign trade of Holland being apparently very much of a transit or quasi-transit character, and the figures in this way not sufficiently comparable with the others. They are retained *quantum valeant* in Tables A and B.

From this table it appears that while in European countries Germany runs the United Kingdom hard in the northern countries, exporting more than the United Kingdom does to Russia and equal or more than equal amounts to Denmark, Sweden, and Norway, and while France runs the United Kingdom hard in the southern countries, viz, Spain and Italy, yet in general the proportion is higher for England than it is for either; France especially counting for very little in the northern countries of Europe. The United States, again, is an inferior competitor to all the others, and it may be supposed that the imports from that country are of a different character from the exchanges between European countries themselves, consisting mainly of articles of food instead of manufactured or part manufactured articles.

Outside Europe there is no question of the great preponderance of the United Kingdom. To Egypt this country sends 47 per cent. of all that that country imports, as compared with 14 per cent. sent by France and 1 per cent. each sent by Germany and the United States. To the Argentine Republic, Uruguay, and Chili it sends from 28 to 39 per cent. of all they import, as compared with about 17 per cent. sent by France, 8 to 19 per cent. sent by Germany, and 7 per cent. sent by the United States. To China it sends 28 per cent. of all that that country imports, while Germany and France send nothing or hardly anything, and the United States only 4 per cent. To Japan it sends 43 per cent. of that country's imports, against 7 per cent. sent

by Germany, 5 per cent. sent by France, and 9 per cent. sent by the United States.

In British possessions, again, the preponderance of the United Kingdom as the country from which they import is overwhelming. To British India this country exports 75 per cent. of all India imports, to Australia 52 per cent., and to other British possessions mostly in like proportion. Germany to most of these countries sends nothing or hardly anything, the highest percentage being British North America, to which Germany sends 1.7 per cent. of its imports. The account of imports from France into the same countries is much the same, with the single exception of the Mauritius, to which France exports 16.3 per cent. of what it imports. As regards the United States also the account is generally the same, the exceptions being British North America, the West Indies, and British Guiana, to which the United States is a large exporter.

It has to be considered, moreover, that the countries in whose trade the imports from the United Kingdom preponderate most are the largest traders of those on the list. While the total imports of the European countries in the list in whose import trade this country only shares about equally with Germany (though still greatly superior to France and the United States) amount to about £239,000,000, the imports of the remaining countries, where the preponderance of the United Kingdom is so overwhelming, amount to £264,000,000. In the smaller group this country is equal to Germany and more than equal to France and the United States, while in the larger trade it not only preponderates, sending the countries in question 50 per cent. and upwards of what they import, but its competitors, speaking broadly, are hardly to be considered.

In each of the tables there is also included the imports into Germany, France, and the United States themselves, so that we may compare the exports of the United Kingdom to Germany with those of France and the United States to the same country; the exports of the United Kingdom to France with those of Germany and the United States to the same country; and the exports of the United Kingdom to the United States with those of Germany and France to the same country. The result of this comparison is—

Imports into Germany, France, and the United States.

	Amount.	Proportion of total.
Imports into Germany from—		*Per cent.*
The United Kingdom	£24,000,000	15
France	12,000,000	7
The United States	6,000,000	4
All countries	155,000,000	
Imports into France from—		
The United Kingdom	23,000,000	14
Germany	16,000,000	9
The United States	11,000,000	7
All countries	169,000,000	
Imports into the United States from—		
The United Kingdom	31,500,000	24
Germany	14,000,000	10
France	13,000,000	10
All countries	131,000,000	

Thus the exports of the United Kingdom to each of our three great competitors preponderate greatly over the exports from each of any two of these competitors to the third. In each of the instances the

exports of the United Kingdom either exceed or are equal, or nearly equal, to those of the two other competitors combined. As the trade thus dealt with is very large, the imports of France, Germany, and the United States being about £455,000,000 in all, or very nearly equal to those of all the other countries in the tables, the fact of the great preponderance of the imports from the United Kingdom in the import trade of these countries themselves adds to the impression of the preponderance of English foreign trade generally derived from the figures previously dealt with.

Such are the facts as to the present position of the United Kingdom trade in the export trade of the world. The question, however, remains as to whether the share of the United Kingdom is increasing or decreasing, and how far its great competitors are gaining on it or not. The tables appended have been drawn up to throw special light on this point.

The broad fact which comes out as regards the exports of the United Kingdom is that while the proportion of the imports from the United Kingdom in European countries taken together, though not in every one of them, rather diminishes, yet there is no sign of any serious falling off in the proportion in the larger markets, where this country has an overwhelming preponderance. The following table, compiled from tables A, shows the position generally. The years compared, as already noticed, are the average of 1875–'77, and the average of 1884–'85, the last two years available, practically an interval of eight to ten years:

Proportion of imports from the United Kingdom to total imports in the following groups of countries, and total imports of such countries, in 1875–'77 *and* 1884–'85 *compared.*

Countries.	Proportion of imports from the United Kingdom.		Total imports from all countries.	
	Average of 1875–'77.	Average of 1884–'85.	1875–'77.	1884–'85.
	Per cent.	*Per cent.*		
European*	19	18	£594,000,000	£656,000,000
Egypt	56	47	5,000,000	7,000,000
United States, Argentine Republic, Uruguay, and Chili*	27	27	118,000,000	165,000,000
China	28	28	22,000,000	22,000,000
Japan	53	43	7,000,000	6,000,000
British possessions	56	55	153,000,000	194,000,000

*In these groups France, Germany, and the United States are included in the countries on the left-hand side of the page. The figures of total imports are taken from the table specially relating to the United Kingdom.

From this it is plain that the proportion of the business of the United Kingdom has in no important case sensibly diminished, while the amount of the business, owing to the general increase of the imports of the countries named, must have largely increased. The only sensible diminutions in proportion are in the trade with Egypt and Japan. Only in the latter case, however, is there a diminution in proportion as well as in amount, and the trade of Japan is very small.

Similar tables for Germany, France, and the United States show the following results:

Proportion of imports from Germany, France, and the United States, respectively, to the total imports in the following groups of countries, and total imports of such countries in 1875–'77 *and* 1884–'85 *compared.*

A.—GERMANY.

Countries.	Proportion.		Amount of imports from all countries.*	
	Average of 1875–'77.	Average of 1884–'85.	1875–'77.	1884–'85.
	Per cent.	*Per cent.*		
European countries	15	17	£450,000,000	£501,000,000
Egypt		1	5,000,000	7,000,000
American countries, United States, Argentine Republic, Uruguay, and Chili	7	11	118,000,000	165,000,000
China			22,000,000	22,000,000
Japan	4	7	7,000,000	6,000,000
British Possessions	0.2	0.5	151,000,000	192,000,000

B.—FRANCE.

European countries	12	10	445,000,000	487,000,000
Egypt	19	14	5,000,000	7,000,000
American countries	12	11	118,000,000	165,000,000
China			22,000,000	22,000,000
Japan	10	5	7,000,800	6,000,000
British Possessions	1.1	1.2	151,000,000	192,000,000

C.—UNITED STATES.

European countries	5	6	383,000,000	459,000,000
Egypt	1	1	5,000,000	7,000,000
American countries	6	7	18,000,000	35,000,000
China	1	4	22,000,000	22,000,000
Japan	7	9	7,000,000	6,000,000
British Possessions†	9	8.3	153,000,000	194,000,000

*The amounts in these two columns vary slightly in one or two cases from the amounts above shown, owing to the exclusion from the group of Germany, France, or the United States, respectively, in the case where either of these countries is the country traded with.

†The amounts of the imports in C varies slightly from what is stated in A and B, owing to one or two slight variations in the British Possessions included.

Thus in the period compared Germany gains considerably in proportion in Europe, where the proportion of the United Kingdom rather declines; similarly it gains in Egypt, though the whole amount of its trade is very small compared with that of the United Kingdom; it also gains in the American countries, but not at the expense of the United Kingdom, which maintains its proportion; it also gains in Japan, where the United Kingdom declines, but the whole trade being very small; and finally it gains a little in British Possessions, but the whole trade is infinitesimal, the change in proportion being from .2 to .5 per cent. only. On the whole, the figures are not such as to indicate any great or overwhelming advance of German exports in comparison with those of the United Kingdom. There is greater progress in certain directions, but, taken altogether, no great disproportionate advance, and in many important markets for the United Kingdom Germany hardly appears at all.

France, on the other hand, shows a distinct decline in the proportion of what it sends to the total imports of the countries which take goods from it, this decline being almost quite general.

The changes in the proportion of the imports from the United States are as a rule too small to be worth noticing.

These conclusions are brought out even more strongly when we look at the amounts by which the exports of the United Kingdom, Germany, France, and the United States, respectively, to the different countries enumerated have increased or decreased in the periods compared. As regards European countries we find that whatever the changes in proportion have been the increase or decrease of exports to such countries* has been—

From—		
The United Kingdom	increase..	£6,448,000
Germany	do....	17,177,000
France	decrease..	5,346,000
*United States	increase..	8,512,000

Thus the exports of Germany to European countries have increased more than those of the United Kingdom, but still there is an increase in the latter. It is only in the case of France that there is an actual decrease of exports.

With regard to Egypt the actual increase of imports is as follows:

From—	
The United Kingdom	£664,000
France	49,000
United States	40,000

With regard to American countries the increase of imports is:

From—	
United Kingdom	£12,606,000
Germany	8,814,000
France	4,212,000
United States†	1,440,000

With regard to China there is really no change in respect of the imports from any of the countries named, except an increase of £571,000 in the imports from the United States. As regards Japan the increase or decrease of imports is:

From—		
The United Kingdom	decrease..	£1,131,000
Germany	increase..	143,000
France	decrease..	423,000
United States	increase..	77,000

Here German trade has increased a little, while that of the United Kingdom and France has declined, but the German increase is very small in amount.

Last of all, as regards British Possessions, the increase of imports into such possessions is as follows:

From—	
The United Kingdom	£20,606,000
Germany	622,000
France	599,000
United States	2,327,000

*Omitting the United Kingdom.

†It will be understood, of course, that as regards the United Kingdom, France, and Germany, the United States is an American country to which they export, but the United States, of course, does not export to itself.

Putting all the figures together, it is plain that although the increase in percentage and amount in certain directions is larger in German exports than in those of the United Kingdom, yet the increase of English exports altogether is much larger than the increase of German exports. The comparison with France and the United States is still more strikingly to the advantage of the United Kingdom. The final result would appear as follows:

Summary of the preceding figures showing the increase or decrease in the exports from the United Kingdom, Germany, France, and the United States, respectively, to the various groups of countries in Table A, appended.

[Increase +, decrease —.]

To—	United Kingdom.	Germany.	France.	United States.
European countries	+ £6,448,000	+ £17,177,000	— £5,346,000	+ £8,512,000
Egypt	+ 664,000	.....	+ 49,000	+ 40,000
American countries	+ 12,606,000	+ 8,814,000	+ 4,212,000	+ 1,440,000
China	— 59,000	.....	.....	+ 571,000
Japan	— 1,131,000	+ 143,000	— 423,000	+ 77,000
British Possessions	+ 20,606,000	+ 622,000	+ 599,000	+ 2,327,000
Total	+ 39,134,000	+ 26,756,000	— 909,000	+ 12,967,000

The increase of English exports is thus much more than that of German, French, or American exports, as far as these returns of the principal foreign countries with which they trade enable us to make a comparison. In proportion Germany has gained most in certain directions, but it has not gained more rapidly than the United Kingdom in amount when all the countries are put together.

The broad result in fact is that England gains most in amount in exporting to the countries named when all are put together, and that while Germany gains rather more in European countries (and in one or two minor countries at a distance) than England does, yet England still gains there, and its gains in all other directions are greater than those of Germany. France, on the other hand, shows a decline in many directions and does not gain on the whole, and the gains of the United States are altogether not so great as those of either Germany or the United Kingdom; the export trade of the United States, as already remarked, being also mainly an export of articles of food.

The popular impression given by some consular reports that German trade is gaining ground everywhere at the expense of English trade would appear to be largely due to the fact that there are no consular reports from British possessions and partly to the fact that prominence is naturally given to minor countries in these consular reports, while in one or two, such as the reports from Chili, the subject may have been inadequately studied, as the conclusions are not in accordance with what the above figures show. The iteration of particular facts from many little places as to German competition, while the larger trades are not reported on, produces the illusion that the trade of the United Kingdom is giving way at every point, whereas the actual facts are entirely different. The particular facts stated are in all cases important in their own place, but the inference as to the general course which English export trade is taking is too hasty.

As regards European countries there seems little doubt that the gains of Germany, such as they are, are partly due to its proximity

to the Northern countries—Sweden, Denmark, and Norway, as well as Russia; partly to the opening of the St. Gothard Tunnel, which has given Germany a special advantage in the trade of Italy; and partly to the special development of its export of spirits, this being the chief article in which its exports to Spain have increased, as the following table shows:

Statement showing the value of the total imports and of the imports of spirits only into Spain from Germany in the years 1875–'77 *and* 1884–'85.

Years.	Total imports into Spain from Germany.	Imports of spirits only into Spain from Germany.
1875	£139,000	£53,000
1876	298,000	115,000
1877	573,000	282,000
1884	3,547,000	1,328,000
1885	3,790,000	1,882,000

These are cases of special development. There is no general development at the expense of the trade of the United Kingdom.

It will probably be found, again, if the matter were investigated further, that the gains of one country apparently at the expense of another in competition in common markets are not really so much so as might at first sight be supposed. At any rate, in addition to direct and pure competition, the trade of one country seems to develop with another according to specialties, in which the one country does not really compete with the other country, but deals in an article which is hardly one of competition at all. To illustrate this point on a large scale I have thought it would be interesting to look at the trade returns of one country, the United States, to which the United Kingdom, Germany, and France each export largely, and to compare these exports. This is done in Table C, appended, from which it will be seen that while there are large numbers of articles of which each country exports a certain proportion to the United States, yet there are others, forming a large part of the business in each case, which are obviously specialties of the country exporting, and in which there is no competition or little competition. The exports of silks from France and Germany, of bleaching powder, tin, and tin plates from the United Kingdom, and so on, are cases in point. If the articles could be examined more minutely even better illustrations could be given. It does not follow that the articles included under one designation are really the same.

Generally the conclusion seems well supported that Germany has not been gaining in common markets of late years at the expense of English trade. Its gains have been special and in certain directions. Our predominance in the great common markets remains substantially what it was ten years ago.

The second set of tables (B) deal with the exports of the countries mentioned to the United Kingdom, Germany, France, and the United States, respectively; that is, with the import trade of the latter countries. These tables need not be described in so much detail as the corresponding tables A relating to their export trade, and it is chiefly with reference to exports so much has been said about German competition. The broad facts are sufficient to show that here too the

United Kingdom maintains a remarkable preponderance, and that none of her great competitors are gaining rapidly on her. There are signs, however, that the United Kingdom to some extent is not increasing its emporium trade.

The various groups of countries compare as follows as regards the proportion of their exports to the United Kingdom, Germany, France, and the United States, respectively:

Country or group.	Proportion of exports to—			
	United Kingdom.	Germany.	France.	United States.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
European countries	22	20	15	4
Egypt	64	.....	9	.....
American countries	50	8	9	6
China	35	.....	.....	14
Japan	9	1	20	42
British Possessions	48	0.4	4.9	7.9

Here the United Kingdom is manifestly first, and the rest, except in European countries where their proportion is still the least, do so little business as a rule that they hardly count in the comparison.

The changes in the percentages in the years compared are also, as a rule, not to the disadvantage of the United Kingdom, while in amounts there is no doubt of the equal increase of the trade with the United Kingdom compared with any other of the three competitors named.

The changes have been as follows:

A.—*Percentage of the total exports of the undermentioned countries exported to the United Kingdom, Germany, France, and the United States, respectively, in the undermentioned years.*

Country or group.	To the United Kingdom.		To Germany.		To France.		To United States.	
	1875–'77.	1884–'85.	1875–'77.	1884–'85.	1875–'77.	1884–'85.	1875–'77.	1884–'85.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
European countries	23	22	17	20	14	15	3	4
Egypt	73	64	.....	.....	11	9	.....	.....
American countries	52	50	8	8	8	9	5	6
China	42	35	.....	.....	.....	.....	10	14
Japan	10	9	.....	1	.....	20	40	42
British Possessions	49	43	0.2	0.4	3.8	4.9	6.4	7.9

Thus in European countries the United Kingdom barely maintains its proportion, while the German proportion increases from 17 to 20, the French proportion from 14 to 15, and the United States proportion from 3 to 4. In Egypt the proportion of the United Kingdom also falls, but in no other of the countries named is there an increase, while the proportion of France falls from 11 to 9 per cent. In American countries the proportion of the United Kingdom also falls a little, that of Germany is stationary, that of France increases slightly, and the United States also increases. In China our proportion also falls, but the other countries hardly count in the trade, and the only increase shown is by the United States, from 10 to 14 per cent. In

Japan our proportion diminishes from 10 to 9 per cent.; Germany, from doing no trade at all, has come to do 1 per cent. of it; France has increased its proportion from nothing to 20 per cent. (an important change in one way, but not large in amount); and the United States has increased its proportion from 40 to 42 per cent. In British Possessions the proportion of the United Kingdom diminishes from 49 to 43 per cent.; but the increase of any of the three competitors is of the slightest, the whole amount of their trade also remaining very small, viz, Germany from .2 to .4 per cent., France from 3.8 to 4.9 per cent., and the United States from 6.4 to 7.9 per cent. The latter increase corresponds to the increase of the direct trade between the United States and British North America and West India colonies which has already been noticed.

Thus the changes in the proportions of the exports of the countries named to the United Kingdom are not as a rule important, and the diminutions in such proportions have not, as a rule, been to the advantage of the three competitors with whom a comparison is made.

As regards amounts of trade involved the comparison is still more interesting. A table for amounts similar to the preceding table for percentages shows as follows:

B.—*Amount of exports of the undermentioned countries to the United Kingdom, Germany, France, and the United States, respectively, in the undermentioned years compared.*

TO THE UNITED KINGDOM.

From—	1875–'77.	1884–'85.	Increase.	Decrease.
European countries	£122,646,000	£124,356,000	£1,710,000	
Egypt	10,042,000	7,630,000		£2,412,000
American countries	74,710,000	89,808,000	15,098,000	
China	9,222,000	6,219,000		3,003,000
Japan	631,000	647,000	16,000	
British Possessions	77,805,000	84,272,000	6,467,000	
			23,291,000	5,415,000
Deduct decrease			5,415,000	
Net increase			17,876,000	

TO GERMANY.

European countries	65,539,000	79,607,000	14,068,000	
Egypt	(*)	5,000	5,000	
American countries	11,325,000	14,901,000	3,576,000	
China	(*)	(*)		
Japan	(*)	102,000	102,000	
British Possessions	378,000	867,000	489,000	
Net increase			18,240,000	

TO FRANCE.

European countries	55,709,000	64,839,000	9,130,000	
Egypt	1,507,000	1,032,000		475,000
American countries	11,185,000	15,273,000	4,088,000	
China	(*)	(*)		
Japan	(*)	1,408,000	1,408,000	
British Possessions	6,016,000	9,385,000	3,369,000	
			17,995,000	475,000
Deduct decrease			475,000	
Net increase			17,520,000	

* Not stated in returns.

B.—*Amount of exports of the undermentioned countries to the United Kingdom, Germany, France, and the United States, etc.*—Continued.

TO THE UNITED STATES.

From—	1875-'77.	1884-'85.	Increase.	Decrease.
European countries	£12,004,000	£17,002,000	£4,998,000	.....
Egypt	33,000	19,000	.....	£14,000
American countries	890,000	1,806,000	916,000	.....
China	2,288,000	2,487,000	199,000	.....
Japan	2,404,000	2,992,000	588,000	.....
British Possessions	10,228,000	15,425,000	5,197,000	.....
			11,898,000	14,000
Deduct decrease	.....	.....	14,000	.....
Net increase	.....	.....	11,884,000	.....

Whatever the changes in proportion, therefore, the amount of the exports of the countries mentioned taken altogether has increased quite as much to the United Kingdom as to any of its competitors. The fact that the increase in the amount to the United Kingdom is not larger than to the others, whereas the exports from the United Kingdom to such countries have increased more largely than those of its competitors, would seem to argue a change in the currents of trade in the direction of the United Kingdom becoming less an entrepôt than it was, a change that is believed to be going on owing to the Suez Canal and other changes in shipping; but there is nothing in this fact to indicate any weakening in the hold of the United Kingdom upon the export trade of the world in comparison with its chief competitors, which is shown by the first set of tables.

I have, etc.,

R. GIFFEN.

BOARD OF TRADE, *January*, 1888.

Average value of imports into the under mentioned countries from the United Kingdom in the years mentioned.

Countries.	Average value of imports in 1875–'77 from—		Per cent. of imports from United Kingdom.	Average value of imports in 1884–'85 from—		Per cent. of imports from United Kingdom.	Increase (+) or decrease (—) in imports from United Kingdom between 1875–'77 and 1884–'85.		Increase (+) or decrease (—) in total imports between 1875–'77 and 1884–'85.	
	United Kingdom.	All countries.		United Kingdom.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	£11,082,000	£65,982,000	17	*a*£10,857,000	*a*£41,634,000	26	— £175,000	— 1.6	—£24,348,000	— 36.9
Norway	2,718,000	9,890,000	27	*a*2,109,000	*a*8,140,000	26	— 609,000	— 22.4	— 1,750,000	— 17.7
Sweden	5,139,000	15,960,000	32	4,828,000	18,495,000	26	— 311,000	— 6.1	+ 2,535,000	+ 15.9
Denmark	3,263,000	12,629,000	26	3,245,000	14,538,000	22	— 18,000	— 0.6	+ 1,909,000	+ 15.1
German Empire	*b*17,910,000	*b*144,593,000	12	23,993,000	155,130,000	15	+ 6,083,000	+ 34	+ 10,537,000	+ 7.3
Holland	18,668,000	60,644,000	31	24,428,000	92,475,008	26	+ 5,740,000	+ 30.7	+ 31,831,000	+ 52.5
Belgium	9,477,000	55,758,000	17	7,070,000	55,456,000	13	— 2,407,000	— 25.4	— 302,000	— 0.5
France	24,640,000	149,265,000	17	23,068,000	168,688,000	14	— 1,572,000	— 6.4	+ 19,373,000	+ 13
Portugal	3,727,000	7,695,000	48	Can not be given.						
Spain	6,751,000	22,164,000	30	5,649,000	30,886,000	18	— 1,102,000	— 16.3	+ 8,724,000	+ 39.4
Italy	12,049,000	49,318,000	24	*a*11,858,000	*a*59,066,000	20	— 191,000	— 1.6	+ 9,748,000	+ 19.8
Roumania	1,191,000	8,081,000	15	2,201,000	11,270,000	20	+ 1,010,000	+ 84.8	+ 3,289,000	+ 40.3
Total (exclusive of Portugal)	112,858,000	594,234,000	19	119,306,000	655,780,000	18	+ 6,448,000	+ 5.7	+ 61 496,000	+ 10.3
Egypt *c*	*d*2,746,000	4,874,000	56	*ad*3,410,000	*a*7,302,000	47	+ 664,000	+ 24.2	+ 2,428,000	+ 49.8
United States	26,542,000	100,352,000	26	*a*31,494,000	*a*130,601,000	24	+ 4,952,000	+ 18.7	+ 30,249,000	+ 30.1
Argentine Republic	*e*1,882,000	*e*7,052,000	26	*a*7,725,000	*a*20,117,000	38	+ 5,483,000	+310.5	+ 12,465,000	+162.9
Uruguay	*f*701,000	*f*2,862,000	24	*a*1,375,000	*a*4,863,000	28	+ 674,000	+ 96.1	+ 2,001,000	+ 69.9
Chili	2,617,000	7,132,000	37	3,754,000	9,686,000	39	+ 1,137,000	+ 43.4	+ 2,454,000	+ 35.8
Total	31,742,000	117,998,000	27	44,348,000	165,267,000	27	+12,606,000	+ 39.7	+ 47,269,000	+ 40.1
China	6,200,000	21,990,000	28	6,141,000	22,208,000	28	— 59,000	— 1	+ 313,000	+ 1
Japan	*b*8,750,000	*b*7,057,000	53	2,619,000	6,141,000	43	— 1,131,000	— 30.2	+ 916,000	— 13
British Possessions:										
India	8,478,000	48,632,000	79	50,158,000	67,159,000	75	+11,680,000	+ 30.4	+ 18,527,000	+ 38.1
Straits Settlements	2,790,000	12,193,000	23	3,930,000	18,656,000	22	+ 1,140,000	+ 40.9	+ 6,463,000	+ 53
Ceylon	1,557,000	5,608,000	28	1,184,000	4,521,000	26	— 373,000	— 23.9	— 1,082,000	— 19.3
Mauritius	499,000	2,279,000	22	572,000	2,621,000	22	+ 73,000	+ 14.6	+ 342,000	+ 15
Australasia	22,835,000	47,029,000	49	32,254,000	61,509,000	52	+ 9,419,000	+ 41.2	+ 14,480,000	+ 30.8
Natal	903,000	1,153,000	84	1,271,000	1,597,000	80	+ 368,000	+ 32	+ 444,000	+ 38.5
Cape of Good Hope	4,631,000	5,688,000	81	3,950,000	5,126,000	77	— 681,000	— 14.7	— 557,000	— 9.8
North America	10,302,000	23,440,000	44	9,325,000	24,856,000	38	— 977,000	— 9.5	+ 1,416,000	+ 6
West Indies	2,272,000	5,482,000	41	2,402,000	6,263,000	38	+ 130,000	+ 5.7	+ 781,000	+ 14.2
British Guiana	1,025,000	2,017,000	51	912,000	1,733,000	53	— 113,000	— 11	— 284,000	— 14.1
Total	85,352,000	153,511,000	56	105,958,000	194,041,000	55	+20,606,000	+ 24.1	+ 40,530.000	+ 26.4

a Average of 1884, 1885, and 1886.
b Average of 1880 and 1881.
c Exclusive of the trade under the "Raftieh."
d Includes British Possessions in the Mediterranean.
e Average of 1876 and 1887.
f Average of 1875 and 1877.

Average value of imports into the under-mentioned countries from the German Empire in the years mentioned.

[From the returns of the several countries.]

Countries.	Average value of imports in 1875-'76-'77 from—		Per cent. of imports from German Empire.	Average value of imports in 1884-'85 from—		Per cent. of imports from German Empire.	Increase (+) or decrease (−) in imports from German Empire between 1875-'76-'77 and 1884-'85.		Increase (+) or decrease (−) in total imports between 1875-'76-'77 and 1884-'85.	
	German Empire.	All countries.		German Empire.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	£18,921,000	£65,982,000	29	a£15,164,000	a£41,634,000	36	−£3,757,000	− 19.9	−£24,348,000	− 36.9
Norway	2,707,000	9,800,000	27	a2,324,000	a8,140,000	29	− 383,000	− 14.1	− 1,750,000	− 17.7
Sweden	3,341,000	15,980,000	21	5,271,000	18,495,000	28	+ 1,930,000	+ 57.8	+ 2,535,000	+ 15.9
Denmark	4,755,000	12,629,000	38	5,337,000	14,538,000	37	+ 582,000	+ 12.2	+ 1,909,000	+ 15.1
Holland	14,304,000	60,644,000	24	24,950,000	92,475,000	27	+ 10,646,000	+ 74.4	+ 31,831,000	+ 52.5
Belgium	7,762,000	55,758,000	14	7,237,000	55,456,000	13	− 525,000	− 6.8	− 302,000	− 0.5
France	14,813,000	149,265,000	10	15,820,000	168,688,000	9	+ 1,007,009	+ 6.8	+ 19,373,000	+ 13.0
Portugal	193,000	7,695,000	3	Can not be given.						
Spain	335,000	22,164,000	2	3,669,000	30,888,000	12	+ 3,334,000	+995.2	+ 8,724,000	+ 39.4
Italy	1,368,000	49,318,000	3	a4,806,000	a59,066,000	8	+ 3,438,000	+251.3	+ 9,748,000	+ 19.8
Roumania	792,000	8,081,000	10	1,697,000	11,270,000	15	+ 905,000	+114.3	+ 3,239,000	+ 40.3
Total (exclusive of Portugal)	69,098,000	449,641,000	15	86,275,000	500,600,000	17	+ 17,177,000	+ 24.9	+ 50,959,000	+ 11.3
Egypt b	(c)	4,874,000		a38,000	a7,302,000	1			+ 2,428,000	+ 49.8
United States	7,505,000	100,352,000	7	a13,709,000	a130,601,000	10	+ 6,204,000	+ 82.7	+ 30,249,000	+ 30.1
Argentine Republic	d385,000	d7,652,000	5	a1,633,000	a20,117,000	8	+ 1,248,000	+324.2	+ 12,465,000	+162.9
Uruguay	e131,000	e2,862,000	5	a467,000	a4,863,000	10	+ 336,000	+256.5	+ 2,001,000	+ 69.9
Chili	784,000	7,132,000	11	1,810,000	9,686,000	19	+ 1,026,000	+130.9	+ 2,554,000	+ 35.8
Total	8,805,000	117,998,000	7	17,619,000	165,267,000	11	+ 8,814,000	+100.1	+ 47,269,000	+ 40.1
China	(c)	21,990,000		(c)	22,203,000				+ 213,000	+ 1.0
Japan	f271,000	f7,057,000	4	414,000	6,141,000	7	+ 143,000	+ 52.8	− 916,000	− 13.0
British possessions:										
India	19,000	48,629,000	0.0	107,000	67,159,000	.2	+ 88,000	+463.2	+ 18,527,000	+ 38.1
Straits Settlements	183,000	12,198,000	1.5	235,000	18,056,000	1.3	+ 52,000	+ 28.4	+ 6,463,000	+ 53.0
Ceylon		5,608,000			4,521,000				− 1,082,000	− 19.3
Mauritius		2,279,000			2,621,000				+ 342,000	+ 15.0
Australasia		47,029,000		165,000	61,509,000	.3	+ 165,000		+ 14,480,000	+ 30.8
Natal		1,153,000			1,597,000				+ 444,000	+ 38.5
Cape of Good Hope	8,000	5,683,000	.1	47,000	5,126,000	.9	+ 39,000	+487.5	− 557,000	− 9.8
North America	133,000	23,440,000	.6	421,000	24,856,000	1.7	+ 288,000	+216.5	+ 1,416,000	+ 6.0
West Indies	10,000	5,482,000	.2		6,263,000		− 10,000	−100.0	+ 781,000	+ 14.2
Total	353,000	151,494,000	.2	975,000	192,308,000	.5	+ 622,000	+176.2	+ 40,814,000	+ 26.9

a Average of 1884-'85-'86.
b Exclusive of the trade under the "Raftieh."
c Not distinguished.
d Average of 1876-'77.
e Average of 1875 and 1877.
f Average of 1880-'81.

Average value of imports into the under-mentioned countries from France in the years mentioned.

[From the returns of the several countries.]

Countries.	Average value of imports in 1875–'76–'77 from—		Per cent. of imports from France.	Average value of imports in 1884–'85 from—		Per cent. of imports from France.	Increase (+) or decrease (—) in imports from France between 1875–'76–'77 and 1884–'85.		Increase (+) or decrease (—) in total imports between 1875–'76–'77 and 1884–'85.	
	France.	All countries.		France.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	£2,047,000	£65,982,000	3	*a*£1,470,000	*a*£41,634,000	4	—£577,000	— 28.2	—£24,348,000	—36.9
Norway	529,000	9,890,000	5	253,000	8,140,000	3	— 276,000	— 52.2	— 1,750,000	—17.7
Sweden	574,000	15,960,000	4	464,000	18,495,000	3	— 110,000	— 19.2	+ 2,535,000	+15.9
Denmark	232,000	12,629,000	2	297,000	14,538,000	2	+ 65,000	+ 28.0	+ 1,909,000	+15.1
German Empire	*bc*12,463,000	*b*144,598,000	9	*c*11,542,000	155,130,000	7	— 921,000	— 7.4	+ 10,537,000	+ 7.3
Holland	1,390,000	60,644,000	2	1,464,000	92,475,000	2	+ 74,000	+ 5.3	+ 31,831,000	+52.5
Belgium	14,172,000	55,758,000	25	10,708,000	55,456,000	19	—3,464,000	— 24.4	— 302,000	— 0.5
Portugal	1,240,000	7,995,000	16	Can not be given.						
Spain	6,072,000	22,164,000	27	7,810,000	30,888,000	25	+1,738,000	+ 28.6	+ 8,724,000	+39.4
Italy	*c*15,008,000	49,318,000	31	*ac*13,534,000	*a*59,066,000	23	—1,534,000	— 10.2	+ 9,748,000	+19.8
Roumania	1,103,000	8,081,000	14	762,000	11,270,000	7	— 341,000	+ 30.9	+ 3,289,000	+40.3
Total (exclusive of Portugal)	53,650,000	444,969,000	12	48,304,000	487,092,000	10	—5,346,000	— 10.0	+ 42,123,000	+ 9.5
Egypt *d*	*c*943,000	4,874,000	19	*ac*992,000	*a*7,302,000	14	+ 49,000	+ 5.2	+ 2,428,000	+49.8
United States	10,993,000	100,352,000	11	*a*13,277,000	*a*130,601,000	10	+2,284,000	+ 20.8	+ 30,249,000	+30.1
Argentine Republic	*e*1,656,000	*d*7,652,000	22	*a*3,2·4,000	*a*20,117,000	16	+1,568,000	+ 94.7	+ 12,465,000	+162.9
Uruguay	*f*580,000	*f*2,862,000	20	*a*843,000	*a*4,863,000	17	+ 263,000	+ 45.3	+ 2,001,000	+ 69.9
Chili	1,470,000	₹,132,000	21	1,567,000	9,686,000	16	+ 97,000	+ 6.6	+ 2,554,000	+ 35.8
Total	14,699,000	117,998,000	12	18,911,000	165,267,000	11	+4,212,000	+ 28.7	+ 47,269,000	+ 40.1
China	(*g*)	21,990,000		(*g*)	22,208,000				+ 213,000	+ 1.0
Japan	*b*724,000	*b*7,057,000	10	801,000	6,141,000	5	— 423,000	— 58.4	— 916,000	— 13.0
British possessions:										
India	614,000	48,632,000	1.3	673,000	67,159,000	1.0	+ 59,000	+ 9.6	+ 18,527,000	+ 38.1
Straits Settlements	165,000	12,193,000	1.4	178,000	18,656,000	1.0	+ 13,000	+ 7.9	+ 6,463,000	+ 53.0
Ceylon	34,000	5,603,000	9.6	14,000	4,521,000	.3	— 20,000	— 58.8	— 1,082,000	— 19.3
Mauritius	316,000	2,279,000	13.9	428,000	2,621,000	16.3	+ 112,000	+ 35.5	+ 342,000	+ 15.0
Australasia	51,000	47,029,000	.1	454,000	61,509,000	.7	+ 408,000	+790.2	+ 14,480,000	+ 30.8
Natal		1,153,000			1,597,000				+ 444,000	+ 38.5
Cape of Good Hope	6,000	5,668,000	.1		5,126,000		— 6,000	—100.0	— 557,000	— 9.8
North America	360,000	23,440,000	1.5	381,000	24,856,000	1.5	+ 21,000	+ 5.8	+ 1,416,000	+ 6.0
West Indies	100,000	5,482,000	2.0	126,000	6,263,000	2.0	+ 17,000	+ 15.6	+ 781,000	+ 14.2
Total	1,655,000	151,494,000	1.1	2,254,000	192,308,000	1.2	+ 590,000	+ 36.2	+ 40,814,000	+ 26.9

Average value of imports into the under-mentioned countries from the United States in the years mentioned.

[From the returns of the several countries.]

Countries.	Average value of imports in 1875–'77 from—		Per cent. of imports from United States.	Average value of imports in 1884–'85 from—		Per cent. of imports from United States.	Increase (+) or decrease (—) in imports from United States between 1875–'77 and 1884–'85.		Increase (+) or decrease (—) in total imports between 1875–'77 and 1884–'85.	
	United States.	All countries.		United States.	All countries.			Per cent.		Per cent.
			Per cent.			*Per cent.*				
Russia in Europe	Can not be given.			Can not be given.						
Norway	a £157,000	£9,890,000	2	a b £366,000	b £8,140,000	4	+ £209,000	+ 138.1	— £1,750,000	— 17.7
Sweden	281,000	15,960,000	2	389,000	18,495,000	2	+ 108,000	+ 38.4	+ 2,535,000	+ 15.9
Denmark	260,000	12,629,000	2	870,000	14,538,000	6	+ 610,000	+ 234.6	+ 1,909,000	+ 15.1
German Empire	Can not be given.			6,175,000	155,139,000	4				
Holland	2,508,000	60,644,000	4	5,054,000	92,475,000	5	+ 2,551,000	+ 101.9	+ 31,831,000	+ 52.5
Belgium	4,052,000	55,758,000	7	5,621,000	55,456,000	10	+ 1,569,000	+ 38.7	— 302,000	— 0.5
France	9,507,000	149,265,000	6	11,028,000	168,638,000	7	+ 1,521,000	+ 16.0	+ 19,373,000	+ 13.0
Portugal	494,000	7,695,000	6	Can not be given.						
Spain	2,422,000	22,164,000	11	3,617,000	30,888,000	12	+ 1,195,000	+ 49.3	+ 8,724,000	+ 39.4
Italy	c1,765,000	40,318,000	4	b c2,506,000	b59,066,000	4	+ 741,000	+ 42.0	+ 9,748,000	+ 19.8
Roumania		8,081,000		8,000	11,270,000		+ 8,000		+ 3,239,000	+ 40.3
Total (exclusive of German Empire and Portugal)	20,947,000	383,659	5	29,459,000	458,966,000	6	+ 8,512,000	+ 40.6	+ 75,307,000	+ 19.6
Egypt d	e6,000	4,874,000	1	b e109,000	b7,302,000	1	+ 40,000	+ 58.0	+ 2,428,000	+ 49.8
Argentine Republic	f427,000	f7,652,000	6	b1,471,000	b20,117,000	7	+ 1,044,000	+ 244.5	+ 12,465,000	+ 162.9
Uruguay	g196,000	g2,862,000	7	b338,000	b4,963,000	7	+ 142,000	+ 72.4	+ 2,001,000	+ 69.9
Chili	463,000	7,132,000	6	717,000	9,686,000	7	+ 254,000	+ 54.9	+ 2,554,000	+ 35.8
Total	1,080,000	17,646,000	6	2,526,000	34,666,000	7	+ 1,440,000	+ 132.6	+ 17,020,000	+ 96.5
China	289,000	21,990,000	1	860,000	22,203,000	4	+ 571,000	+ 197.6	+ 213,000	+ 1.0
Japan	h464,000	h7,057,000	7	541,000	6,141,000	9	+ 77,000	+ 16.6	— 916,000	— 13.0
British Possessions:										
India	218,000	48,632,000	.4	1,322,000	67,159,000	2.0	+ 1,104,000	+ 506.4	+ 18,527,000	+ 38.1
Straits settlements	e15,000	12,193,000	.1	e211,000	18,656,000	1.1	+ 196,000	+ 1,306.7	+ 6,463,000	+ 53.0
Ceylon		5,608,000		7,000	4,521,000	.2	+ 7,000		— 1,082,000	— 19.3
Mauritius	5,000	2,279,000	.2	8,000	2,621,000	.3	+ 3,000	+ 60.0	+ 342,000	+ 15.0
Australasia	1,082,000	47,029,000	2.3	2,347,000	61,509,000	3.8	+ 1,265,000	+ 116.9	+ 14,480,000	+ 30.8
Natal	31,000	1,153,000	2.7	46,000	1,597,000	2.9	+ 15,000	+ 48.4	+ 444,000	+ 38.5
Cape of Good Hope	131,000	5,683,000	2.3	120,000	5,126,000	2.3	— 11,000	— 8.4	— 557,000	— 9.8
North America	10,685,000	23,440,000	45.6	10,531,000	24,856,000	42.4	— 154,000	— 1.4	+ 1,416,000	+ 6.0
West Indies	1,261,000	5,482,000	23.0	1,244,000	6,263,000	19.9	— 17,000	— 1.3	+ 781,000	+ 14.2
British Guiana	415,000	2,017,000	20.6	334,000	1,733,000	19.3	— 81,000	— 19.5	— 284,000	— 14.1
Total	13,843,000	153,511,000	9.0	16,170,000	194,041,000	8.3	+ 2,327,000	+ 16.8	+ 40,530,000	+ 26.4

a Includes British North America.
b Average of 1884–'86.
c Includes Canada.
d Exclusive of the trade under the "Raftieh."
e Imports from America.
f Average of 1886–'87.
g Average of 1875 and 1877.
h Average of 1880–'81.

Average value of exports from the under-mentioned countries to the United Kingdom in the years mentioned.

[From the returns of the several countries.]

Countries.	Average value of exports in 1875–'77 to—		Per cent. of exports to United Kingdom.	Average value of exports in 1884–'85 to—		Per cent. of exports to United Kingdom.	Increase (+) or decrease (−) in exports to United Kingdom between 1875–'77 and 1884–'85.		Increase (+) or decrease (−) in total exports between 1875–'77 and 1884–'85.	
	United Kingdom.	All countries.		United Kingdom.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	£18,717,000	£65,874,000	21	*a*£14,868,000	*a*£49,499,000	30	+£1,151,000	+ 8.4	−£16,375,000	−24.9
Norway	1,849,000	6,121,000	30	*a*1,953,000	*a*5,870,000	33	+ 104,000	+ 5.6	— 251,000	— 4.1
Sweden	6,410,000	12,013,000	53	6,496,000	13,469,000	48	+ 86,000	+ 1.3	+ 1,456,000	+12.1
Denmark	3,933,000	9,575,000	41	3,646,000	9,463,000	39	− 287,000	− 7.3	− 112,000	− 1.2
German Empire	*b*22,171,000	*b*146,810,000	15	24,171,000	151,680,000	16	+ 2,000,000	+ 9.0	+ 4,820,000	+ 3.3
Holland	10,570,000	44,818,000	24	17,324,000	72,178,000	24	+ 6,754,000	+ 63.9	+ 27,360,000	+61.5
Belgium	8,374,000	43,299,000	19	9,800,000	50,750,000	19	+ 1,426,000	+ 17.0	+ 7,451,000	+17.2
France	42,080,000	145,127,000	29	33,432,000	126,412,000	26	− 8,648,000	− 20.6	− 18,715,000	−12.9
Portugal	2,868,000	5,373,000	53	Can not be given.						
Spain	7,266,000	18,844,000	39	6,601,000	26,344,000	25	− 665,000	− 9.2	+ 7,500,000	+39.8
Italy	5,329,000	42,717,000	12	*a*3,128,000	*a*44,091,000	7	− 2,201,000	− 41.3	+ 1,374,000	+ 3.2
Roumania	947,000	6,950,000	14	2,937,000	8,642,000	34	+ 1,990,000	+210.1	+ 1,692,000	+24.3
Total (exclusive of Portugal)	122,646,000	542,148,000	23	124,356,000	558,348,000	22	+ 1,710,000	+ 1.4	+ 16,200,000	+ 3.0
Egypte	*d*10,042,000	13,766,000	73	*a d*7,680,000	*a*11,842,000	64	− 2,412,000	− 24.0	− 1,924,000	−14.0
United States	68,526,000	124,107,000	55	*a*77,956,000	*a*147,056,000	53	+ 9,430,000	+ 13.8	+ 22,949,000	+18.5
Argentine Republic	*e*1,298,000	*e*9,286,000	14	*a*2,279,000	*a*15,324,000	15	+ 981,000	+ 75.6	+ 6,038,000	+65.0
Uruguay	*f*868,000	*f*2,979,000	29	*a*1,048,000	*a*5,127,000	20	+ 180,000	+ 20.7	+ 2,148,000	+72.1
Chili	4,018,000	7,187,000	56	8,525,000	11,357,000	75	+ 4,507,000	+112.2	+ 4,170,000	+58.0
Total	74,710,000	143,559,000	52	89,808,000	178,864,000	50	+ 15,098,000	+ 20.2	+ 35,305,000	+24.6
China	9,222,000	21,856,000	42	6,219,000	17,972,000	35	− 3,008,000	− 32.6	− 3 884,000	−17.8
Japan	*b*631,000	*b*6,011,000	10	647,000	7,209,000	9	+ 16,000	+ 2.5	+ 1,198,000	+19.9
British Possessions:										
India	29,492,000	64,135,000	46	34,222,000	85,002,000	40	+ 4,730,000	+ 16.0	+ 20,867,000	+32.5
Straits settlements	2,122,000	11,577,000	18	3,756,000	17,091,000	22	+ 1,634,000	+ 77.0	+ 5,514,000	+47.6
Ceylon	3,646,000	5,205,000	70	1,905,000	3,258,000	58	− 1,741,000	− 47.8	− 1,947,000	−37.4
Mauritius	1,309,000	3,332,000	39	499,000	3,706,000	13	− 810,000	− 61.9	+ 374,000	+11.2
Australasia	22,125,000	44,195,000	50	26,420,000	52,953,000	50	+ 4,295,000	+ 19.4	+ 8,758,000	+19.8
Natal	553,000	728,000	76	709,000	918,000	77	+ 156,000	+ 28.2	+ 190,000	+26.1
Cape of Good Hope	3,554,000	3,897,000	91	3,584,000	3,979,000	90	+ 30,000	+ 0.8	+ 82,000	+ 2.1
North America	9,004,000	17,678,000	51	9,148 000	19,866,000	46	+ 144,000	+ 1.6	+ 2,188,000	+12.4
West Indies	3,989,000	5,671,000	70	2,493,000	6,244,000	40	− 1,496 000	− 37.5	+ 573.000	+10.1
British Guiana	2,011,000	2,806,000	72	1 536,000	2,062,000	74	− 475,000	− 23.6	− 744,000	−26.5
Total	77,805,000	159,224,000	49	84,272,000	195,079,000	43	+ 6,467,000	+ 8.3	+ 35,855,000	+22.5

a Average of 1884, 1885, and 1886.
b Average of 1880–81.
c Exclusive of trade under the "Raftieh."
d Includes British Possessions in the Mediterranean.
e Average of 1876.
f Average of 1875 and 1877.

Countries.	Average value of exports in 1875–'77 to—		Per cent. of exports to German Empire.	Average value of exports in 1884–'85 to—		Per cent. of exports to German Empire.	Increase (+) or decrease (–) in exports to German Empire between 1875–'77 and 1884–'85.		Increase (+) or decrease (–) in total exports between 1875–'77 and 1884–'85.	
	German Empire.	All countries.		German Empire.	All countries.			Per cent.		Per cent.
			Per cent.			*Per cent.*				
Russia in Europe	£14,228,000	£65,874,000	22	*a*£14,792,000	*a*£49,499,000	30	+ £554,000	+ 3.9	–£16,375,000	– 24.9
Norway	1,018,000	6,121,000	17	*a*745,000	*a*5,870,000	13	– 273,000	– 26.8	– 251,000	– 4.1
Sweden	795,000	12,013,000	7	1,035,000	13,469,000	8	+ 240,000	+ 30.2	+ 1,456,000	+ 12.1
Denmark	2,881,000	9,575,000	30	3,055,000	9,468,000	32	+ 174,000	+ 6	– 112,000	– 1.2
Holland	19,320,000	44,818,000	43	33,561,000	72,178,000	46	+14,241,000	+ 73.7	+ 27,360,000	+ 61.5
Belgium	9,485,000	43,299,000	22	9,087,000	50,750,000	18	– 398,000	– 4.2	+ 7,451,000	+ 17.2
France	16,707,000	145,127,000	12	12,566,000	128,412,000	10	– 4,141,000	– 24.8	– 18,715,000	– 12.9
Portugal	198,000	5,373,000	4	Can not be given.						
Spain	263,000	18,844,000	1	391,000	26,344,000	1	+ 128,000	+ 48.7	+ 7,500,000	+ 39.8
Italy	811,000	42,717,000	2	*a*4,301,000	*a*44,091,000	10	+ 3,490,000	+ 430.3	+ 1,374,000	+ 3.2
Roumania	21,000	6,950,000		74,000	8,642,000	1	+ 53,000	+ 252.4	+ 1,692,000	+ 24.3
Total (exclusive of Portugal)	65,539,000	395,338,000	17	79,607,000	406,718,000	20	+14,068,000	+ 21.5	+ 11,380,000	+ 2.9
Egypt *b*	(*c*)	13,766,000		*a*5,000	*a*11,842,000				– 1,924,000	– 14
United States	10,823,000	124,107,000	9	*a*12,569,000	*a*147,056,000	9	+ 1,746,000	+ 16.1	+ 22,949,000	+ 18.5
Argentine Republic	*d*269,000	*d*9,286,000	3	*a*1,485,000	*a*15,324,000	10	+ 1,216,000	+ 452	+ 6,038,000	+ 65
Uruguay	*e*8,000	*e*2,979,000		*a*109,000	*a*5,127,000	2	+ 101,000	+1262.5	+ 2,148,000	+ 72.1
Chili	225,000	7,187,000	3	738,000	11,357,000	6	+ 513,000	+ 228	+ 4,170,000	+ 58
Total	11,325,000	143,559,000	8	14,901,000	178,864,000	8	+ 3,576,000	+ 31.6	+ 35,305,000	+ 24.6
China	(*c*)	21,856,000		(*c*)	17,972,000				– 3,884,000	– 17.8
Japan	(*c*)	4,734,000		102,000	7,209,000	1			+ 2,475,000	+ 52.3
British Possessions:										
India	223,000	64,135,000	0.3	489,000	85,002,000	0.6	+ 266,000	+ 119.3	+ 20,867,000	+ 33.5
Straits settlements	97,000	11,577,000	0.8	169,000	17,091,000	1	+ 72,000	+ 74.2	+ 5,514,000	+ 47.6
Ceylon		5,205,000			3,258,000				– 1,947,000	– 37.4
Mauritius		4,332,000			3,706,000				+ 374,000	+ 11.2
Australasia		44,195,000		48,000	52,953,000	0.1	+ 48,000		+ 8,758,000	+ 19.8
Natal		728,000			918,000				+ 190,000	+ 26.1
Cape of Good Hope	13,000	3,897,000	0.3	87,000	3,979,000	2.2	+ 74,000	+ 569.2	+ 82,000	+ 2.1
North America	26,000	17,678,000	0.1	49,000	19,866,000	0.2	+ 23,000	+ 88.5	+ 2,188,000	+ 12.4
West Indies	19,000	5,671,000	0.3	25,000	6,244,000	0.4	+ 6,000	+ 31.6	+ 573,000	+ 10.1
Total	378,000	156,418,000	0.2	867,000	193,017,000	0.4	+ 489,000	+ 129.4	+ 36,599,000	+ 23.4

a Average of 1884–'86. *b* Exclusive of trade under the "Raftieh." *c* Not distinguished.
d Average of 1876 and 1877. *e* Average of 1875 and 1877.

Average value of exports from the under-mentioned countries to France in the years mentioned.

[From the returns of the several countries.]

Countries.	Average value of exports in 1875–'77 to—		Per cent. of exports to France.	Average value of exports in 1884–'85 to—		Per cent. of exports to France.	Increase (+) or decrease (—) in exports to France between 1875–'77 and 1884–'85.		Increase (+) or decrease (—) in total exports between 1875–'77 and 1884–'85.	
	France.	All countries.		France.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	£3,053,000	£65,874,000	5	*a*£3,253,000	*a*£49,499,000	7	+ £200,000	+ 6.6	—£16,375,000	— 24.9
Norway	510,000	6,121,000	8	*a*461,000	*a*5,870,000	8	— 49,000	— 9.6	— 251,000	— 4.1
Sweden	1,388,000	12,013,000	12	1,495,000	13,469,000	11	+ 107,000	+ 7.7	+ 1,456,000	+ 12.1
Denmark	25,000	9,575,000	.....	91,000	9,463,000	1	+ 66,000	+ 264	— 112,000	— 1.2
German Empire	*bc*15,066,000	*b*146,810,000	10	*c*13,287,000	151,630,000	9	— 1,799,000	— 11.9	+ 4,820,000	+ 3.3
Holland	584,000	44,818,000	1	581,000	72,178,000	1	— 3,000	— 0.5	+ 27,360,000	+ 61.5
Belgium	12,722,000	43,299,000	29	14,677,000	50,750,000	29	+ 1,955,000	+ 15.4	+ 7,451,000	+ 17.2
Portugal	413,000	5,373,000	8	Can not be given.						
Spain	3,402,000	18,844,000	18	11,410,000	26,344,000	43	+ 8,008,000	+ 235.4	+ 7,500,000	+ 39.8
Italy	*c*18,117,000	47,717,000	42	*ca*19,008,000	*a*44,091,000	43	+ 886,000	+ 4.9	+ 1,374,000	+ 3.2
Roumania	822,000	6,950,000	12	581,000	8,642,000	7	— 241,000	— 29.3	+ 1,692,000	+ 24.3
Total (exclusive of Portugal)	55,709,000	397,021,000	14	64,839,000	431,936,000	15	+ 9,130,000	+ 16.4	+ 34,915,000	+ 8.8
Egypt *d*	*c*1,507,000	13,766,000	11	*c a*1,032,000	*a*11,842,000	9	— 475,000	— 31.5	— 1,924 000	— 14
United States	8,077,000	124,107,000	7	*a*9,296,000	*a*147,056,000	6	+ 1,219,000	+ 15.1	+ 22,949,000	+ 18.5
Argentine Republic	*e*1,808,000	*e*9,286,000	19	*a*4,643,000	*a*15,324,000	30	+ 2,835,000	+ 156.8	+ 6,038,000	+ 65
Uruguay	*f*545,000	*f*2,979,000	18	*a*677,000	*a*5,127,000	13	+ 132,000	+ 24.2	+ 2,148,000	+ 72.1
Chili	735,000	7,187,000	11	657,000	11,357,000	6	— 98,000	— 13	+ 4,170,000	+ 58
Total	11,185,000	143,559,000	8	15,273,000	178,864,000	9	+ 4,088,000	+ 36.5	+ 35,305,000	+ 24.6
China	(*g*)	21,856,000	.....	(*g*)	17,972,000	.....	.....	.....	— 3,884,000	— 17.8
Japan	(*g*)	4,734,000	.....	1,408,000	7,209,000	20	.....	.....	+ 2 475,000	+ 52.3
British Possessions:										
India	5,355,000	64,135,000	8.3	7,477,000	85,002,000	8.8	+ 2,122,000	+ 39.6	+ 20,867,000	+ 32.5
Straits settlements	242,000	11,577,000	2.1	514,000	17,091,000	3	+ 272,000	+ 112.4	+ 5,514,000	+ 47.6
Ceylon	147,000	5,205,000	2.8	188,000	3,258,000	5.8	+ 41,000	+ 27.9	— 1,947,000	— 37.4
Mauritius	91,000	3,332,000	2.7	60,000	3,706,000	1.6	— 31,000	— 34.1	+ 374,000	+ 11.2
Australasia	5,000	44,195,000	.....	558,000	52,953,000	1.1	+ 553,000	+ 11060	+ 8,758,000	+ 19.8
Natal	.....	723,000	.....	.....	918,000	.....	.....	.....	+ 190,000	+ 26.1
Cape of Good Hope	.....	3,897,000	.....	1,000	3,979,000	.....	+ 1,000	.....	+ 82,000	+ 2.1
North America	75,000	17,678,000	0.4	71,000	19,866,000	0.4	— 4,000	— 5.3	+ 2,188,000	+ 12.4
West Indies	101,000	5,671,000	1.8	516,000	6,244,000	8.3	+ 415,000	+ 410.9	+ 573,000	+ 10.1
Total	6,016,000	156,418,000	3.8	9,385,000	193,017,000	4.9	+ 3,369,000	+ 56	+ 36,599,000	+ 23.4

Average value of exports from the under-mentioned countries to the United States in the years mentioned.

Countries.	Average value of exports in 1875-'77 to—		Per cent. of exports to United States.	Average value of exports in 1884-'85 to—		Per cent. of exports to United States.	Increase (+) or decrease (—) in exports to United States between 1875-'77 and 1884-'85.		Increase (+) or decrease (—) in total exports between 1875-'77 and 1884-'85.	
	United States.	All countries.		United States.	All countries.					
			Per cent.			*Per cent.*		*Per cent.*		*Per cent.*
Russia in Europe	(a)	£65,874,000	.....	(a)	*b*£49,499,000	.....	.....	.....	—£16,375,000	—24.9
Norway	.....	6,121,000	.....	.....	55,870,000	.....	.....	.....	— 251,000	— 4.1
Sweden	£48,000	12,013,000	.....	£71,000	13,469,000	1	+ £23,000	+ 47.9	+ 1,456,000	+12.1
Denmark	3,000	9,575,000	.....	160,000	9,403,000	2	+ 157,000	+5,233.3	— 112,000	— 1.2
German Empire	Can not be given.		.....	6,983,000	151,630,000	5	.....	.....	.....	.....
Holland	356,000	44,818,000	1	2,035,000	72,178,000	3	+1,679,000	+ 471.6	+ 27,360,000	+61.5
Belgium	516,000	43,299,000	1	1,455,000	50,750,000	3	+ 939,000	+ 182	+ 7,451,000	+1.72
France	9,480,000	145,127,000	7	10,586,000	126,412,000	8	+1,106,000	+ 11.7	— 18,715,000	—12.9
Portugal	115,000	5,373,000	2	Can not be given.		.....	.....	.....	.....	.....
Spain	577,000	18,844,000	3	655,000	26,344,000	2	+ 78,000	+ 13.5	+ 7,500,000	+39.8
Italy	*c*1,024,000	42,717,000	2	*cb*2,040,000	*b*44,091,000	5	+1,016,000	+ 99.2	+ 1,874,000	+ 3.2
Roumania	.....	6,950,000	.....	.....	8,642,000	.....	.....	.....	+ 1,692,000	+24.3
Total (exclusive of German Empire and Portugal)	12,004,000	395,338,000	3	17,002,000	406,718,000	4	+4,998,000	+ 41.6	+ 11,380,000	+ 2.9
Egypt *d*	*e*33,000	13,766,000	.....	*eb*19,000	*b*11,842,000	.....	— 14,000	— 42.4	— 1,924,000	—14
Argentine Republic	*f*497,000	*f*9,286,000	5	*b*881,000	*b*15,324,000	6	+ 384,000	+ 77.3	+ 6,038,000	+65
Uruguay	*g*225,000	*g*2,979,000	8	*b*616,000	55,127,000	12	+ 391,000	+ 173.8	+ 2,148,000	+72.1
Chili	168,000	7,187,000	2	309,000	11,357,000	3	+ 141,000	+ 83.9	+ 4,170,000	+58
Total	890,000	19,452,000	5	1,806,000	31,808,000	6	+ 916,000	+ 102.9	+ 12,356,000	+63.5
China	2,288,000	21,856,000	10	2,487,000	17,972,000	14	+ 199,000	+ 8.7	— 3,884,000	—17.8
Japan	*h*2,404,000	*h*6,011,000	40	2,992,000	7,209,000	42	+ 588,000	+ 24.5	+ 1,198,000	+19.9
British Possessions:										
India	1,869,000	64,135,000	2.9	3,258,000	85,002,000	3.8	+1,389,000	+ 74.3	+ 20,867,000	+32.5
Straits Settlements	*e*586,000	11,577,000	5.1	*e*664,000	17,091,000	3.9	+ 78,000	+ 13.3	+ 5,514,000	+47.6
Ceylon	115,000	5,205,000	2.2	199,000	3,258,000	6.1	+ 84,000	+ 73	— 1,947,000	—37.4
Mauritius	9,000	3,332,000	.3	211,000	3,706,000	5.7	+ 202,000	+2,244.4	+ 374,000	+11.2
Australasia	313,000	44,195,000	.7	1,098,000	52,953,000	2.1	+ 785,000	+ 250.8	+ 8,758,000	+19.8
Natal	.....	728,000	.....	.....	918,000	.....	.....	.....	+ 190,000	+26.1
Cape of Good Hope	159,000	3,897,000	4.1	88,000	3,979,000	2.2	— 71,000	— 44.7	+ 82,000	+ 2.1
North America	6,124,000	17,678,000	34.6	8,125,000	19,866,000	40.9	+2,001,000	+ 32.7	+ 2,188,000	+12.4
West Indies	561,000	5,671,000	9.9	1,487,000	6,244,000	23.8	+ 926,000	+ 165.1	+ 573,000	+10.1
British Guiana	492,000	2,806,000	17.5	295,000	2,062,000	14.3	— 197,000	— 40	— 744,000	—26.5
Total	10,228,000	159,224,000	6.4	15,425,000	195,079,000	7.9	+5,197,000	+ 50.8	+ 35,855,000	+22.5

a Not distinguished.
b Average of 1884, 1885, and 1886.
c Includes Canada. The exports to Canada are very small.
d Exclusive of trade under the "Raftieh."
e Exports to "America."
f Average of 1876-'77.
g Average of 1875 and 1877.
h Average of 1880-'81.

Statement showing the value of the imports into the United States from the United Kingdom, Germany, and France during the year ended June 30, 1886.

Articles.	United Kingdom.	Germany.	France.
FREE OF DUTY.			
Animals, not elsewhere specified:	*Dollars.*	*Dollars.*	*Dollars.*
Cattle	89,157	2,083	209
Horses	357,695	7,572	617,570
Sheep	5,844	957	.....
All others, including fowls	28,934	78,168	4,927
Articles, the produce of the United States, returned	1,617,130	2,225,058	426,755
Art works, not elsewhere specified, the production of American artists	71,436	40,302	168,374
Asphaltum or bitumen, crude	264	11,720	7,222
Bark, hemlock	.....	.....	.....
Bolting cloths	2,375	1,332	27,492
Books and other printed matter, not elsewhere specified	489,961	231,062	59,311
Chemicals, drugs, and dyes, not elsewhere specified:			
Alizarine, natural or artificial	72,294	367,736	8,336
Argal or argol	34,958	199	1,122,358
Barks, cinchona, etc	781,996	1,360	431
Cochineal	115,098	.....	57
Dye-woods in sticks:			
Logwood	1,260	.....	.....
All other	98,574	21,923	35,157
Gums:			
Arabic	85,590	.....	15,351
Camphor, crude	3,365	.....	.....
Cutch or catechu and terra japonica or gambia	161,159	1,160	.....
Shellac	215,951	.....	.....
All other gums	381,103	22,871	290,874
Indigo	74,312	3,661	2,313
Lime, chloride of, or bleaching powder	1,352,957	11	.....
Licorice root	2,739	882	10,048
Mineral waters, all, not artificial	4,498	244,612	25,658
Potash, muriate of	.....	721,869	.....
Quinia, sulphate of, salts of, and cinchonidia	147,998	774,241	18,073
Soda, nitrate of	43,865	35,052	.....
Sulphur or brimstone, crude	2,585	.....	.....
Vanilla beans	962	.....	702
All other	821,361	652,411	225,597
Cocoa or cacao, crude, and leaves and shells of	76,684	10,844	3,240
Coffee	238,376	179,402	45,086
Coir yarn	4,390	.....	.....
Cork wood or cork bark, unmanufactured	11,495	.....	5,539
Cotton, unmanufactured	479,769	.....	.....
Diamonds, rough or uncut, including glazier's	222,902	14,294	37,664
Eggs	19,188	23,276	.....
Farinaceous substances, and preparations of, not elsewhere specified	39,975	9,126	158,498
Fertilizers:			
Guano	72,088	.....	155,288
Phosphates, crude or native	408,412	20	.....
All other	135,681	843,367	2,084
Fish, not elsewhere specified:			
Salmon, fresh	.....	.....	.....
All other fresh fish	.....	.....	.....
Lobsters, canned or preserved	.....	.....	.....
All other preserved fish	47	.....	26
Fruits, including nuts, not elsewhere specified:			
Bananas	.....	.....	.....
Cocoa-nuts	3,615	.....	.....
All other	25,332	10,975	21,913
Furs, and fur skins, undressed	828,322	232,626	210,887
Hair, not elsewhere specified	782,426	101,665	73,188
Hides and skins, other than fur skins:			
Goat-skins	425,430	142,158	279,445
All other	4,079,036	719,411	588,908
Household and personal effects, etc	332,744	142,510	229,088
India-rubber and gutta-percha, crude	2,318,052	254,665	160,508
Ivory:			
Animal	100,063	80,572	10,969
Vegetable	.....	709	.....
Oils:			
Fixed or expressed	67,208	8,274	81,321
Volatile or essential	66,227	130,312	168,725
Paper stock:			
Rags, other than woolen	263,629	790,227	126,651
All other	1,922,996	245,945	85,096
Plaster of Paris, or sulphate of lime, unground	1	.....	.....
Platinum, unmanufactured	71,603	50,512	145,476
Plumbago	2,231	12,594	.....
Seeds, not medicinal	192,436	490,358	219,349

Statement showing the value of the imports into the United States from the United Kingdom, Germany, and France, etc.—Continued.

Articles.	United Kingdom.	Germany.	France.
FREE OF DUTY—continued.			
Silk, unmanufactured:	*Dollars.*	*Dollars.*	*Dollars.*
Cocoons	.....	.....	229,610
Eggs (silkworms)	.....	.....	.....
Raw, or as reeled from cocoons	156,531	331	895,835
Waste	228,280	14,677	181,594
Spices, unground:			
Nutmegs	98,412	2,293	.....
Pepper	1,157,264	.....	.....
All other	176,535	1,832	.....
Tea	823,206	46	1
Tin, bars, blocks, or pigs, grain or granulated	2,840,488	1,100	.....
Wood, unmanufactured, not elsewhere specified	169,727	55,996	90,356
Articles, all other duty free	1,443,702	577,951	499,112
Total	27,345,468	10,631,575	7,727,057
DUTIABLE.			
Animals, not elsewhere specified:			
Cattle	.....	.....	.....
Horses	9,065	.....	10,856
Sheep	72	.....	.....
All other	6,347	6,064	619
Art works, not elsewhere specified, etc	143,225	174,276	485,287
Books, maps, engravings, and other printed matter, not elsewhere specified	1,364,181	766,598	193,655
Brass, and manufactures of	127,118	149,097	66,829
Breadstuffs:			
Barley	2	1,103	.....
Corn	.....	.....	.....
Oats	906	10	.....
Oatmeal	48,567	.....	.....
Rye	.....	5	.....
Wheat	142	2,562	25
Wheat flour	.....	8	.....
All other breadstuffs and preparations, not elsewhere specified	35,766	6,627	895
Bristles	121,477	590,356	165,270
Brushes	72,193	49,450	418,368
Buttons, except of brass, gilt, or silk, and button molds and button materials in pattern or cut	335,581	966,640	1,068,659
Cement	379 692	313,972	1,998
Chemicals, drugs, dyes, and medicines:			
Coal-tar colors and dyes	283,803	945,601	97,690
Glycerine	20,882	97,530	393,865
Logwood and other dye-wood extracts	92,410	43,686	120,303
Opium:			
Crude	288,309	188	5,256
Prepared for smoking	.....	.....	.....
Potash, nitrate of, or saltpeter, crude	6,910	7	.....
Soda:			
Bicarbonate of	53,130	32	8
Carbonate	3,406,709	3,154	.....
Caustic	1,508,228	1,580	.....
All other salts of	27,888	4,523	52
Sumac, ground	.....	.....	.....
All other	1,816,784	889,280	292,630
Clays or earths, including china clay or kaoline	145,706	62,298	1,288
Clocks and watches, and parts of:			
Clocks, and parts of	51,333	23,635	282,049
Watches, and parts of	49,099	56,526	82,250
Coal, bituminous	675,017	378	87
Copper, and manufactures of:			
Ore (fine copper contained therein)	.....	.....	.....
Pigs, bars, ingots, old and other unmanufactured	13	12	.....
All other manufactures	115,811	731	2,707
Corsets	9,736	526,064	273,223
Cotton, manufactures of:			
Cloths:			
Not bleached, dyed, colored, painted, or printed	156,825	661	35,697
Bleached, dyed, colored, painted, or printed	2,168,441	171,811	836,826
Clothing, ready made, and other wearing apparel, not including knit goods	36,846	43,586	262,864
Embroideries, laces, insertings, etc., and lace window curtains	3,157,353	920,581	874,652
Knit goods: stockings and hosiery, etc	925,535	5,559,848	365,008
Thread (not on spools), yarn, warps, or warp yarn	575,326	58,156	80,768
All other manufactures of	4,322,270	844,678	844,515

Statement showing the value of the imports into the United States from the United Kingdom, Germany, and France, etc.—Continued.

Articles.	United Kingdom.	Germany.	France.
DUTIABLE—continued.			
Earthen, stone, and china ware:	*Dollars.*	*Dollars.*	*Dollars.*
China, porcelain, parian, and bisque, earthen, stone, and crockery ware:			
Not decorated or ornamented	733,550	45,612	126,813
Decorated or ornamented	1,445,990	709,993	404,122
All other	1,030,927	25,867	14,608
Fancy articles:			
Beads (except amber) and bead ornaments	33,458	554,164	422,814
Dolls and other toys	44,797	1,111,880	175,485
Fans, except palm leaf	8,377	28,744	199,427
Feathers, ornamental, natural	584,113	97,067	662,717
Feathers and flowers, artificial	14,129	67,026	415,282
Perfumeries, cosmetics, and all toilet preparations	81,476	13,806	222,432
Pipes of all kinds, and smokers' articles	26,546	79,220	25,058
All other	52,951	160,361	120,406
Fish, not elsewhere specified:			
Anchovies and sardines, packed in oil or otherwise	41,220	8,331	708,840
Cod, haddock, hake, and pollock, dried, smoked or pickled	677	.....	.....
Herring:			
Dried or smoked	2	111	14
Pickled or salted	19,521	115,029	816
Mackerel, pickled	.....	.....	.....
Salmon, pickled	.....	.....	.....
All other	10,245	10,882	5,546
Flax, hemp, and jute, and other vegetable substances:			
Unmanufactured:			
Flax	905,934	2,110	35,715
Hemp, and all substitutes for hemp	468,952	148,263	7,610
Jute	120,941	.....	.....
Sisal grass and other vegetable substances	24,240	.....	.....
Manufactures of flax, hemp, or jute, or of which flax, hemp, or jute shall be the component material of chief value:			
Bags and bagging, and like manufactures	219,226	6,918	1,502
Burlaps (except for bagging for cotton)	2,776,363	2,355	2,684
Brown or bleached linens, ducks, canvas, paddings, cot-bottoms, diapers, crash, huckabacks, handkerchiefs, and lawns	11,206,238	1,089,965	282,008
Cables and cordage	19,457	258	21
Thread, twine, and pack thread	732,522	585	3,592
Yarns	823,587	708	.....
All other	940,329	408,434	776,734
Fruits, including nuts, not elsewhere specified:			
Figs	106,866	.....	68
Lemons	7,501	616	3,116
Oranges	219,237	26	275
Prunes	217	52,304	738,225
Raisins	274,451	8	8,362
Preserved fruits	82,410	137,869	140,768
All other fruits	427,565	25,075	4,457
Nuts:			
Almonds	41,717	9	163,301
All other nuts	11,918	881	308,289
Furs, dressed on the skin, and manufactures of furs	1,765,446	985,484	1,101,458
Glass and glasswares:			
Bottles, vials, demijohns, carboys and jars, empty or filled	215,746	265,324	80,908
Cylinder, crown, and common window glass, unpolished	72,063	32,672	6,578
Cylinder and crown glass, polished, unsilvered	1,686	20,448	.....
Plate glass:			
Fluted, rolled, or rough	97,151	4,841	1,861
Unsilvered	325,620	112,120	35,570
Silvered	1,781	1,457,248	12,490
All other	297,953	350,434	396,665
Hair and manufactures of, not elsewhere specified	88,346	48,284	92,559
Hats, bonnets, and hoods, and materials for	488,816	1,104,853	767,970
Hay	96	.....	.....
Hops	17,084	408,730	.....
India-rubber and gutta-percha manufactures	128,758	69,882	31,022
Iron and steel manufactures:			
Iron:			
Ore	51,434	3,581	7,363
Pig	3,452,589	263,158	1,602
Scrap, fit only to be remanufactured:			
Iron, wrought and cast	262,697	61,617	.....
Steel	33,165	2,318	.....
Iron, bar, rolled or hammered	146,430	35,668	.....
Railway bars:			
Of iron	151	.....	.....
Of steel or part steel	272,846	1,716	.....

Statement showing the value of the imports into the United States from the United Kingdom, Germany, and France, etc.—Continued.

Articles.	United Kingdom.	Germany.	France.
DUTIABLE—continued.			
Iron and steel manufactures—Continued.	*Dollars.*	*Dollars.*	*Dollars.*
Cotton ties, or hoops for baling purposes, of iron and steel	488,062	.....	7
Hoop, band, and scroll iron	2,919	8	.....
Hoops, bands, strips, sheets, and plates of steel	151,267	8,354	13,449
Ingots, blooms, slabs, billets, and bars of steel and steel in forms, not elsewhere specified	1,180,754	439,522	5,106
Sheet, plate, and taggers iron	281,747	2,361	2
Tin-plates, terne-plates or taggers tin	17,580,068	11,434	.....
Wire rods (rivet, screw, nail, and fence) round, in coils and loops, of iron or steel	428,169	2,005,260	15 054
Wire and wire rope and strand, iron or steel	444,942	52,388	860
Manufactures not elsewhere specified:			
Anvils, axles, and forgings of iron or steel	76,179	15,428	1,259
Chains of iron or steel	19,720	44,052	288
Cutlery	828,518	807,799	16,287
Files, file-blanks, rasps, and floats	35,957	1,264	3,630
Fire-arms	438,706	29,029	29,517
Machinery	1,012,8 4	84,822	66,702
Needles	280,105	52,310	1,154
All other	813,722	347,967	140,806
Jewelry, manufactures of gold and silver, and precious stones:			
Jewelry and manufactures of gold and silver	198,833	252,190	490,381
Precious stones and imitations of, not set	3,112,489	324,118	3,331,738
Lead and manufactures of	188,239	54,514	50,761
Leather:			
Bend or belting, and all sole leather	102,011	909	1,177
Calf-skins, tanned, or tanned and dressed	45,445	412,670	1,251,820
Skins for morocco	1,122,153	158,190	439,388
Upper leather of all other kinds, dressed, and skins, dressed and finished	485,454	406,801	2,075,115
Leather manufactures:			
Gloves	131,539	1,614,164	1,580,743
All other	207,871	145,283	108,552
Malt barley	4,092	.....	.....
Malt liquors:			
In bottles or jugs	804,808	5,955	4
Not in bottles or jugs	295,385	103,821	.....
Marble and stone and manufactures of:			
Marble and manufactures of, not elsewhere specified	4,351	865	13,494
Stone and manufactures of, including slate	189,949	59,458	1,881
Metals, metal compositions, and manufactures of, not elsewhere specified:			
Bronze manufactures	19,016	584,772	125,977
All other	669,965	496,762	882,269
Mineral substances, not elsewhere specified	26,176	63,743	6,886
Musical instruments and parts of	64.749	1,011,517	174,103
Oils, not elsewhere specified:			
Animal:			
Whale and fish	6,996	7,568	587
Other	1,337	744	.....
Mineral	.....	2	.....
Vegetable:			
Fixed or expressed:			
Olive	46,178	549	323,041
Other	18,983	15,386	2,504
Volatile or essential	7,963	41,202	40,987
Paints and colors	571,347	496,388	140,811
Paper, and manufactures of	417,714	1,050,262	200,772
Provisions, comprising meat and dairy products:			
Meat products:			
Meats, prepared, of all kinds, and meat extracts	29,574	48,426	13,728
All other	12,159	18,780	2,607
Dairy products:			
Butter	255	17	96
Cheese	14,071	44,294	53,546
Milk, preserved or condensed	687,132	367	1,078
Rice, not elsewhere specified	209,408	42,285	6
Granulated or rice meal	112,425	469,845	
Salt	1,159,274	1,751	24,164
Seeds, not medicinal, not elsewhere specified:			
Linseed or flaxseed	.....	.....	.....
All other	229,529	121,960	121,445
Silk, manufactures of:			
Clothing, ready-made, and other wearing apparel	92,259	199,972	176,216
Dress and piece goods	1,252,952	2,338,180	7,146,322
Laces	255,412	17,986	1,658,618
Ribbons	20,672	26,849	391,729
All other	2,937,729	3,832,467	1,668,759

Statement showing the value of the imports into the United States from the United Kingdom, Germany, and France, etc.—Continued.

Articles.	United Kingdom.	Germany.	France.
DUTIABLE—continued.	*Dollars.*	*Dollars.*	*Dollars.*
Soap:			
Fancy, perfumed, and toilet soaps	134,759	12,433	29,976
All other	22,290	2,374	72,147
Spices, ground	165,298	103	913
Spirits, distilled, and spirituous compounds:			
Brandy	45,808	13,338	1,019,630
All other	213,300	73,123	114,682
Sponges	100,372	2,234	6,028
Sugar, molasses, sugar candy, and confectionery:			
Molasses	270	15	.....
Sugar, Dutch standard in color:			
Not above No. 13 and tank bottoms, sirups, melada, etc	627,000	5,619,543	85
Above No. 13 and not above No. 20	.....	.....	.....
All above No. 20	.....	41	260
Sugar candy and confectionery	16,908	1,423	2,248
Tobacco, and manufactures of:			
Leaf:			
Suitable for wrappers	16	78	.....
All other	51,310	79,446	.....
Cigars, cigarettes, and cheroots	12,150	5,579	441
All other manufactures	388	7,477	2,725
Vegetables:			
Beans and peas	1,084	6,746	2,370
Potatoes	184,785	12,899	42
Pickles and sauces	265,757	140	24,548
All other:			
In their natural state or in salt	51,050	48,543	12,760
Prepared or preserved	9,972	14,619	409,760
Wines:			
Champagne and other sparkling	21,100	37,902	3,010,188
Still wines:			
In casks	71,222	684,116	661,410
In bottles	35,781	332,046	814,116
Wood and manufactures of:			
Unmanufactured, not elsewhere specified	246	138	5
Timber, sawed or hewn	.....	.....	.....
Boards, planks, deals, and other sawed lumber	97	.....	.....
Shingles	.....	.....	.....
Other lumber	1,013	157	1,864
Cabinet ware and house furniture	110,669	15,998	57,857
All other manufactures of	127,941	424,459	145,175
Wools, hair of the alpaca, goat, and other like animals, and manufactures of:			
Unmanufactured:			
Clothing wools	2,761,346	7,195	50,373
Combing wools	1,432,942	.....	29,272
Carpet and other similar wools	3,753,656	68,881	995,944
Manufactures of:			
Carpets and carpeting of all kinds	996,355	16,311	10,855
Clothing, ready made, and other wearing apparel, except shawls and knit goods	375,973	960,473	236,932
Cloths	5,660,416	2,484,963	1,024,084
Dress-goods, women's and children's	6,549,519	1,916,142	6,263,299
Knit goods	945,549	890,762	121,053
Rags, shoddy, mungo, waste, and flocks	618,104	14,909	384,810
Shawls	399,260	106,019	489,608
Yarns	1,692,872	718,212	43,867
All other	4,453,989	1,774,952	1,402,936
Zinc, spelter or tutenegue, and manufactures of:			
In blocks or pigs, and old	10,499	106,564	.....
Manufactures of	899	33,665	596
All other dutiable articles	1,329,337	554,043	630,651
Total	126,908,586	58,528,422	55,690,378
Total free of duty	27,345,468	10,681,575	7,727,057
Total dutiable	126,908,586	58,528,422	55,690,378
Grand total	154,254,054	69,154,997	63,417,490

HOMES

OF THE

GERMAN WORKING PEOPLE.

By JAMES HENRY SMITH,

U. S. COMMERCIAL AGENT AT MAYENCE.

HOMES OF THE GERMAN WORKING PEOPLE.

REPORT OF COMMERCIAL AGENT SMITH.

The homes of a people are an interesting study. Nowhere else does the individual life, and in the individual life the national, so faithfully express itself as in the households of the people of a country. Given the average home of the middle and lower classes of any country at any period of its history, we can form pretty accurate conclusions respecting its material and moral state and course. Were all that we know of the English people to become lost to us except, in its true meaning, the renowned expression, "every Englishman's house is his castle," we would have in a nutshell the leading characteristics of this race, namely, manly independence, love of popular sovereignty, and jealous regard of individual rights, and in these a certain degree of clew to their history. There were benign laws there, it would be said, and the individual was a freeman, sacred in his person and in his property.

A certain view, but not a full and exhaustive one, is afforded us of the homes of the German laboring people in the large cities of the Empire by a work in two volumes, published a short time ago at the instance of the Society for Social Politics, entitled "Die Wohnungsnoth der ärmeren Klassen in deutschen Grossstädten und Vorschläge zu deren Abhülfe."* This publication appeared in 1886, but no material changes have of course since then occurred in the conditions then existing and described, and the book, consequently, is as valuable to-day for purposes of contemplation and study as it was when issued. The introduction to it is by Dr. Miquel, the mayor of Frankfort-on-the-Main, a distinguished member of the Imperial Reichstag, and one of the leading men and politicians of Germany; and the other articles are by gentlemen who must be presumed to be well acquainted with the subjects on which they have written, as they seem to be all men of standing in the communities they consider, and interested in the amelioration of the conditions under which the poor live. I have gained quite an insight, from a perusal of the work, into the character of the homes of the laboring people of the German cities, though much was already known to me on the subject before I picked the book up; and it seems to me that a statement of its contents would make an interesting and valuable article for our consular reports. I shall therefore lay before you its main features.

* The great need of habitations among the poorer classes in the large cities of Germany, with propositions for amelioration.

Most of the towns and cities of Germany are, I believe, old and stricken in years, and received their first impressions in times that knew not freedom of life and of expression. As a consequence, in what remains of them of the past we find everywhere evidences of restricted growth and movement, while in those parts which have sprung up in the last hundred years we recognize the freedom and straightforwardness of the life of the nineteenth century in the greater width and directness of the new thoroughfares compared to their neighbors of past times. And what are our cities and our houses, after all, but correspondences or expressions of our lives and thoughts? There is a philosophy in them even, did we but heed it.

The old town in its structural characteristics spoke of fear and combat, of local jealousies and enmities, of narrow and tortuous thinking, of limitation and fixedness. The place of the old city wall, or the remains of this wall; the narrow, crooked streets that are left; the old-time houses that still remain—all express this circumscribed life of the past to us as truly as though we had no history to tell us the story of it. They were cramped for room, because "every man's hand was raised against his brother," so to speak; and the towns had to be circumvallated with stout walls bearing imposing and hardy towers of defense and faced by guardian moats to keep off the enemies which abounded.

A city's thoroughfares could not well be otherwise than narrow and erratic under such circumstances. But under the new dispensation which has come upon us, the barriers of the past have had to be leveled, and the old towns of Germany have been throwing off the lethargy which possessed them and awakening unto new life and light. The damp, musty, narrow ways of the past, into many of which the sun rarely if ever shone, and which seem more like populated narrow alleys than the thoroughfares of a city, are giving place to the wide streets and avenues of the present time, which let the gracious light and air of heaven have full ingress to them, vivifying and recreating all things, as it were, and speaking of freedom, expansion, and progress.

Many of the old streets are hardly wide enough to permit the passage through them of a horse and cart, and for two vehicles to pass each other in them is wholly out of the question. They run this way and that way in their crookedness, manifesting an abrupt turn here and an unexpected conclusion there, and bewildering the stranger by the sinuous and erratic courses.

The small towns are all made up of such thoroughfares, and the old cities contain many of them.

One of the crying wants of the time in the large cities of Germany is that of good dwelling-houses, especially of good dwellings for the working classes, who are deprived of them from two reasons; first, because they are too dear; and, second, because there is a great lack of good houses for people in the very humble walks of life. The towns are rapidly increasing in population, and with this continuous accumulation of human souls comes naturally a demand for a corresponding increase of good, habitable places of abode, which capital as is to be expected, niggardly grants the working-man and his because of his inability to pay for good accommodations. As a rule, he must be content to call a hovel his home.

In the last few years the cities of Germany have grown very much for an old country, and the activity and prosperity of the industrial centers have attracted large numbers of working people from the

country and small towns to the cities, bringing about a lack of proper habitations for them and leading to a general rise in rents. As a consequence they have been obliged to huddle together in improper numbers and betake themselves to unsuitable quarters.

For some years past this herding, so to speak, of the poor together in unfit dwellings has excited the public attention and led to various propositions for its abatement. It was sought to encourage the erection of dwelling-houses for the working classes, and where it was not voluntarily undertaken by capitalists, companies having in view the public good were formed here and there for the purpose of providing good and cheap dwelling-houses of medium and small size for the working people. I do not think, however, that much of this sort of thing has been done.

The communal officials aided these public-spirited citizens directly, to a certain degree, by selling them building lots at advantageous prices and granting them loans of money, or indirectly, by laying out new streets where the houses for the poor were to be put up, improving the means of intercourse, or adopting measures of a sanitary character. Against the most flagrant abuses the police intervened in various states, and issued regulations governing public houses and places where the poor were given to sleeping. They but lessened it a little externally, however. The public gaze met less of it, but the evil still went on.

The German workingman is better paid, better fed, and better clothed to-day than ever before, it is said, but the place that he calls home is pretty much the narrow, contracted, badly furnished, crowded, unforbidding thing of old.

The amount of rent paid by the working classes, in proportion to entire income, is far greater than among what is known as the upper classes. A large part of the laboring population of Germany is compelled to pay up to one-fourth and even more of its entire income for miserable, unhealthy places in which to live and sleep and to call home, and oftentimes, in addition, become bound over hand and foot, by reason of their circumstances, to their landlords. In certain quarters of the large cities these creatures of circumstance crowd even closer together into abodes that are all the time growing smaller and more unhealthy; for the poor man and his wants have no interest for the speculative builder, who finds in him no subject for remunerative investment. Money here is put into large buildings, and avoids, as much as possible, the erection of comfortable homes for the laboring people, as they are regarded as uncertain pay; and, owing to this fact, a great disproportion exists between the rents of large and small apartments compared to value of property.

The object of the publication referred to by me is to call public attention to the great want of decent tenements by the laboring people of the large cities of the Empire and to awaken an interest in their behalf; more particularly to secure legislation on the subject, I believe. Through the strength of his influence in the Reichstag and with the Government, Dr. Miquel is endeavoring to get a tenement law passed by the Imperial Government which shall effect the whole Empire, and do away with the abuses of the present time as far as possible. It is proposed to fix by law what shall be considered the least requirements of a poor family in sanitary respects, which local officials can enlarge according to the requirements of their respective localities. The amount of space per capita in each room occupied, to avoid overcrowding, is to be established, likewise provis-

ions regulating evictions and landlords' liens; and the police are to be empowered to forbid the use of unhealthy tenements and to order their demolition. This right, it seems, they do not now generally possess, or are at least afraid of exercising it for fear of subjecting their towns to damages or getting the shelterless on their hands; and it also appears that, by agreement, landlords can take everything a poor man holds dear and necessary, even the miserable bed on which he lies.

The present laws of Germany do not give the police sufficient power to prevent overcrowding of tenements, or to forbid the use of those unfit for habitation. The building and sanitary regulations concern themselves almost wholly with the erection of new buildings, and make little or no provision concerning overcrowding after erection, or demolition of such as have become unfit for human beings to live in. Nor is a tenant able to quit an unhealthy tenement without a good deal of difficulty, and generally only by process at law.

Not only are the dwelling places of the poor horrid, but those of the middle and higher classes even, are very lacking in the modern conveniences and comforts of American homes. The sewerage has been, until a few years ago, bad, and is still a good deal so. The homes of the working people are to a large extent simply shocking, as will be seen in the course of this report, and the police, as already intimated, do not seem to have the power to break them up. The state of things described under the head of Strasburg is even appalling.

The salvation of a country depends upon the homes of its working people, and, as the poet Goldsmith has well expressed it,

> Ill fares the land, to hast'ning ills a prey,
> Where wealth accumulates and men decay.

That Germany will better the homes of its lowly ones I have no doubt, but it is only to be effected by a common impulse and not by spasmodic action of slight force here and there. I wish Dr. Miquel Godspeed in the noble cause into which he has thrown himself. No effort is so worthy of our admiration as that which has for its end the elevation of our fellow men. This question, however, is so intimately connected with that of wages that it is difficult to see how much of a reform can be accomplished without a rise in wages.

And how is it with the conditions under which the American poor dwell? Do they not also need some overhauling?

The tenement or flat system of dwelling prevails in Germany, and a whole house occupied by but a single family is a rarity. This naturally leads to an over-filling of houses, and in the large cities to the massing of the lower classes in the old tenements as they become abandoned by the people of means for newer structures. In time this herding together, as the buildings become ever more rickety, gets to be a public evil. They are let and sublet until they become perfectly packed with tenants and subtenants, and through overcrowding, uncleanliness, bad drainage, and lack of ventilation they become, in a place like Berlin, for instance, perfect pest-holes and generators of all kinds of disease and infirmity. In moral respects also are they infamous. If you enter such a house a smell of decay and foulness greets your nostrils; dirt you find at every hand, while half-naked children romp and battle on the crazy stairs. Between the occupants of the different stories loud words of strife are not infrequently heard, and at the slightest provocation the hall-ways

become the scene of most disgraceful combats, when all sorts of vile language is employed, and sticks, broom-handles, and knives brought into requisition and filth thrown. Oftentimes all the inmates of such a house get divided into two parties that are constantly at loggerheads with each other. What the rooms themselves are can well be imagined—dirty, loud-smelling, disorderly. If the tenement consists of one room or more and a kitchen, the family probably takes the kitchen to answer its needs and rents the remaining one room or two out to subtenants. If it be of but one room, it often happens that night lodgers are taken; and there in one room sleep together, in dirt and foulness, mother, father, and children, almost as they fall down, it may be said, on the floor or on straw sacks, and near them the night lodgers, men or women, as the case may be. Is not all this hell? Can there be any greater?

In Dresden, in 1877, all the cellar tenements, some 2,200 in number, were sanitarily examined, it is said, and 1,500 found to be more or less unfit for habitation, 500 of them entirely so. Tenements were repeatedly come across consisting of only two rooms hardly 24 square meters (258 square feet*) in floor size, and having two families for tenants with a number of men as night lodgers.

Some old barracks in Dresden, having been abandoned by the military, were converted into tenement houses. In the four large four-story chief wings of the largest barracks 400 to 500 tenements were constructed, in which about 2,000 persons got together. The most necessary housekeeping rooms, such as kitchens, pantries, and the like, were wholly lacking; the ventilation was extremely bad, and there was but one privy seat to every four or five families. The district physician asked that each tenement be made to consist of at least two rooms; have a place for keeping household utensils, wood, coal, and the like; that there should be a privy to every two families, and that subletting or the taking of night lodgers into these small tenements be prohibited. What was done is not said.

At Plauen the district physician met with a small room, having a narrow bedroom, which was dwelt in by two families consisting of thirteen persons.

Not only in the large cities, but in the small industrial places, there is overcrowding, and in the small towns the way the people live is very repugnant to American eyes.

Dr. Rüdiger, in the reports of the factory inspectors for 1882, gives a harrowing description of the manner of life of some brick-makers near Ketzin, which he says beggars every description. These men, over 1,000 in number, ate, lived, and slept, at the rate of 20 to a room, in rooms hardly 40 cubic meters (about 1,400 cubic feet) in size, deficient in light and air, and which for months—from April to October—were never cleaned. They slept on rough boards placed in tiers one above the other, with five or six sleeping places to a tier. Straw or hay had to serve them for bedding, and the clothing they wore during the day, often damp, for bed covering. There was a lack of good drinking water and of warm food among them. Dr. Rüdiger's efforts to have the thing abated were for a time futile because the burgomaster of the place was not able to get through a police order with the other members of the magistracy. Rüdiger then got the Government at Potsdam to have an investigation instituted, which

* If square, that would be a room about 16 feet long and 16 feet wide.

resulted in showing that there was less than 1 cubic meter (35¼ cubic feet) of air space, less than 1 square meter (10¾ square feet) of floor room, and less than one-third square meter of window to each man. The police then received instructions to regulate the matter.

That overcrowding of tenements is general is evident from this, that in Berlin, in 1880, out of a population of 1,122,330, there were 478,052 persons living in tenements having but one room that could be heated, or an average of 3.75 inmates to a room; 302,322 living in tenements possessing but two rooms that could be heated, or an average of 2.23 to a room and 127,346 in tenements with three rooms that could be heated, or an average of 1.56 to a room. There were thus 907,720 inhabitants of Berlin out of a population of 1,122,330, or more than three-fourths of the entire number of people dwelling in tenements having not more than three rooms that could be heated, and having on an average 2.51 inmates to a room. In Breslau, at the same time, out of a population of 272,912, there were 137,268 inhabitants living in tenements having but one room that could be heated, or an average of 3.84 to a room; 58,062 in tenements having but two such rooms, or an average of 2.20 to a room, and 30,667 in tenements having but three such rooms, or 1.67 to a room. This was a higher percentage than in the case of Berlin. In Dresden, in the same year, out of 220,818 inhabitants, 98,930 were living in tenements having but one room that could be heated, or an average of 3.59 to a room; 44,820 living in tenements having but 2 such rooms, or an average of 2.20 to a room, and 22,364 in tenements having but three such rooms, or an average of 1.49 to a room. For Leipsic, in 1880, the figures were even higher than for Breslau, being 3.84, 2.53, and 1.80 persons to a room in the three categories, respectively.

Only 29,323 of the large population of Berlin lived in tenements having eight or more rooms to a tenement; only 3,550 in Breslau in such tenements, out of a population of 272,912; only 7,699 in Dresden, out of 220,818 inhabitants; only 6,871 in Leipsic, out of 149,081; and 10,201 in Frankfort-on-the-Main, out of its population of 136,819. Frankfort was thus the best situated of these cities.

Hardly any family occupies a whole house. In Berlin in 1880 there were hardly 2,850 houses thus inhabited, and in Leipsic only 148, according to the statistics before me.

In Berlin since 1861 every enumeration of the population has been accompanied by an examination into the manner in which the people live. As a consequence, other German cities have taken to preparing like statistics, and Hamburg, Leipsic, Frankfort-on-the-Main, and others, now afford the statistician much interesting material for a consideration of the manner of life of their inhabitants. From these statistics Mr. M. Neefe, of Breslau, has prepared a number of tables, published in the work before me of the Society for Social Politics, showing the density of population, the areas occupied, number of persons to a dwelling, etc., from which I now proceed to take certain facts. It appears therefrom that the population of the German cities having more than 90,000 inhabitants in 1880 were as follows from 1861 to that time, namely:

Cities.	1861.	1864.	1867.	1871.	1875.	1880.
Berlin	547,571	632,749	702,437	826,341	969,050	1,122,330
Hamburg	202,178	208,966	224,974	239,107	264,675	289,859
Hamburg, with neighboring places	.....	.....	269,581	299,349	348,447	410,127
Breslau	145,589	163,919	171,926	207,997	239,050	272,912
Munich	148,201	167,054	170,688	169,693	198,024	230,023
Dresden	128,152	145,728	156,024	177,089	197,295	220,818
Leipsic	78,495	85,894	90,894	106,925	127,887	149,081
Cologne	120,568	122,162	125,172	129,233	135,871	144,772
Koenigsberg	94,579	101,507	106,296	112,152	122,636	140,909
Frankfort-on-the-Main	70,513	77,372	78,277	91,040	103,077	136,819
Hanover	60,130	67,815	73,979	87,636	106,677	122,843
Stuttgart	61,314	69,084	75,781	91,823	107,273	117,308
Bremen	66,648	70,608	74,574	82,807	102,582	112,453
Dantzic	82,765	90,384	89,311	90,141	97,931	108,551
Strasburg	82,014	.....	84,167	85,654	94,306	104,471
Nuremberg	62,797	70,492	77,895	83,214	91,018	99,519
Magdeburg	67,607	70,147	78,552	84,401	87,925	97,539
Barmen	49,787	59,544	64,945	74,449	86,504	95,941
Dusseldorf	41,292	44,297	63,389	69,365	80,695	95,458
Chemnitz	45,482	54,827	58,573	68,229	78,209	95,123
Elberfeld	56,307	62,008	65,321	71,384	80,589	93,538
Stettin	64,481	70,759	73,714	76,280	80,972	91,756
Altona	45,524	53,039	67,350	74,102	84,097	91,047
Aix-la-Chapelle	59,941	63,811	68,178	74,146	79,606	85,551

In 1885 these cities had a population as follows:

Cities.	Population.	Cities.	Population.
Berlin	1,315,287	Dantzic	114,805
Hamburg	305,690	Strasburg	111,987
Breslau	299,640	Nuremberg	114,891
Munich	261,981	Magdeburg	114,291
Dresden	246,066	Barmen	108,068
Leipsic	170,840	Dusseldorf	115,190
Cologne	161,401	Chemnitz	110,817
Koenigsberg	151,151	Elberfeld	106,499
Frankfort-on-the-Main	154,513	Stettin	99,543
Hanover	139,731	Altona	104,717
Stuttgart	125,901	Aix-la-Chapelle	95,725
Bremen	118,395		

The areas occupied by these cities are put as follows :

Cities.	Year.	Total area.	Area built upon.*	Cities.	Year.	Total area.	Area built upon.*
		Acres.	*Acres.*			*Acres.*	*Acres.*
Berlin	1864	14,622	4,924	Hanover	1880	6,121	1,979
Do	1875	14,625	6,652	Stuttgart	1880	7,458	1,422
Do	1880	15,322	7,809	Bremen	1876	5,581	.....
Hamburg	1880	2,831	1,675	Do	1880	5,638	.....
Hamburg, with suburbs	1880	15,671	5,442	Dantzic	1880	4,876	2,175
Breslau	1867	5,242	1,591	Strasburg	1880	19,337	4,477
Do	1875	7,521	2,291	Nuremberg	1880	2,710	.....
Do	1880	7,521	2,628	Magdeburg	1875	8,588	.....
Munich	1878	11,595	2,894	Barmen	1880	5,344	938
Dresden	1880	6,202	.....	Altona	1880	2,848	1,120
Leipsic	1875	4,153	2,163	Stettin	1880	14,917	2,653
Cologne	1875	1,900	1,450	Chemnitz	1880	3,794	.....
Königsberg	1880	5,027	3,192	Dusseldorf	1880	12,015	3,083
Frankfort-on-the-Main	1875	17,149	1,254	Elberfeld	1880	7,024	1,311
Do	1880	18,364	.....	Aix-la-Chapelle	1880	7,544	1,087

* Including courts, gardens, streets, ways, squares, and burying grounds.

The whole number of buildings in certain cities and the number dwelt in is set forth as follows :

Cities.	Year.	Total.	Inhabited.	Inmates to each.	Cities.	Year.	Total.	Inhabited.	Inmates to each.
Berlin	1864	.....	18,971	3.3	Dresden	1875	11,090	.....	.....
Do	1867	.....	20,580	3.4	Do	1880	11,885	8,454	.....
Do	1871	.....	23,838	3.5	Leipsic	1880	7,985	6,195	2.4
Do	1875	37,948	24,212	4.0	Königsberg	1864	9,083	4,603	2.1
Do	1880	37,250	24,984	4.5	Bremen	1864	13 273	10,569	6.7
Hamburg, with neighboring places	1880	.....	24,970	1.6	Do	1867	14,114	11,310	6.6
Breslau	1880	10,578	8,226	3.3	Do	1871	15,493	12,206	6.8
					Do	1875	17,766	14,674	7.0
					Do	1880	19,243	15,848	7.1

The number of stories to the buildings and cellar tenements in them in five cities is given as follows:

Cities.	Year.	Inhabited buildings with—					
		Only ground floor.	Two stories.	Three stories.	Four stories.	Five and more stories.	Cellar tenements.
Berlin	1864	1,495	2,916	4,818	6,865	2,882	7,580
Do	1867	1,359	2,772	4,695	7,563	4,191	8,751
Do	1875	1,247	3,021	5,200	7,483	6,561	10,997
Do	1880	1,312	3,104	4,645	7,530	8,398	17,062
Breslau	1880	728	1,477	1,625	2,715	1,681	1,088
Leipsic	1880	.....	88	340	555	2,911	.....
Frankfort-on-the-Main	1880	331	2,240	2,840	3,012	454	.....
Dresden	1880	907	2,439	2,218	2,452	443	.....

The rate per 1,000 buildings was as follows:

Cities.	Year.	Inhabited buildings with—					
		Only ground floor.	Two stories.	Three stories.	Four stories.	Five and more stories.	Cellar tenements.
Berlin	1864	79	154	253	362	152	400
Do	1867	66	135	228	367	204	425
Do	1875	56	149	215	309	271	454
Do	1880	53	124	186	301	336	683
Breslau	1880	89	179	198	330	204	132
Leipsic	1880	.....	33	87	143	747	.....
Frankfort-on-the-Main	1880	37	253	320	339	51	.....
Dresden	1880	107	289	202	290	52	.....

The tendency is to occupy large and formidable-looking tenement houses.

With respect to number of buildings in the various cities but few serviceable and comparable statistics are to be had, it is said.

The total number of tenements of certain cities for certain years, including inmates, was as follows:

Cities.	Year.	Tenements.			Population of—			Front tenements per 1,000.	Back tenements per 1,000.	Average number of inmates per tenement.		
		Front.	Back.	Total.	Front.	Back.	Total.			Front.	Back.	Total.
Berlin	1861	75,867	29,944	105,811	380,028	141,905	521,933	717	283	5.0	4.7	4.9
Do	1864	92,669	38,002	130,671	432,253	168,490	600,743	709	291	4.7	4.4	4.6
Do	1867	110,417	42,224	152,641	495,253	179,147	674,400	723	277	4.5	4.3	4.4
Do	1871	122,301	55,858	178,159	552,214	243,037	795,251	686	314	4.5	4.3	4.5
Do	1875	134,454	78,100	212,554	617,905	322,666	940,571	632	368	4.6	4.1	4.4
Do	1880	167,642	88,285	255,920	735,285	354,609	1,089,894	655	345	4.4	4.0	4.3
Hamburg	1867	34,493	13,934	48,427	163,239	54,462	217,701	712	288	4.7	3.9	4.5
Hamburg and surrounding places	1875	53,325	20,928	74,253	259,606	86,659	346,265	718	282	4.9	4.1	4.7
Do	1880	63,153	25,673	88,826	299,496	107,421	406,857	711	289	4.7	4.2	4.6
Breslau	1875	31,306	22,026	53,332	140,738	88,475	229,213	587	413	4.5	4.0	4.3
Do	1880	36,375	24,240	60,615	163,447	97,135	260,582	600	400	4.5	4.0	4.3
Dresden	*1875	†35,240	*8,200	43,440	162,712	35,845	198,557	811	189	4.6	4.4	4.6
Do	1880	.....	.....	49,838	.....	.....	204,871	.....	.....	.....	.....	4.1
Leipsic	1867	.....	.....	17,090	.....	.....	87,843	.....	.....	.....	.....	5.1
Do	1871	.....	.....	19,570	.....	.....	103,970	.....	.....	.....	.....	5.3
Do	1875	.....	.....	24,604	.....	.....	123,631	.....	.....	.....	.....	5.0
Do	1880	19,662	8,848	28,510	102,596	41,527	144,123	690	310	5.2	4.7	5.1
Königsberg	1864	†17,521	1,431	18,952	87,691	6,955	94,646	924	76	5.0	4.9	5.0
Frankfort-on-the-Main	1867	†12,686	1,629	14,315	.....	.....	76,358	886	114	.....	.....	5.3
Do	1871	14,475	2,944	17,419	76,265	14,607	90,872	831	169	5.3	5.0	5.2
Do	1875	17,100	3,136	20,236	84,971	14,537	99,508	845	155	5.0	4.6	4.9
Do	1880	24,438	3,325	27,763	117,874	14,470	132,344	880	120	4.8	4.3	4.8
Bremen	1864	.....	.....	17,913	.....	.....	68,684	.....	.....	.....	.....	3.8
Do	1867	.....	.....	18,859	.....	.....	72,419	.....	.....	.....	.....	3.8
Do	1871	.....	.....	21,602	.....	.....	80,702	.....	.....	.....	.....	3.7
Do	1875	.....	.....	27,525	.....	.....	100,393	.....	.....	.....	.....	3.6
Do	1880	.....	.....	27,735	.....	.....	109,677	.....	.....	.....	.....	4.0
Stettin	1867	.....	.....	14,815	52,956	19,416	72,372	†732	†268	.....	.....	4.9
Chemnitz	1867	.....	.....	12,305	51,090	6,282	57,381	†899	†109	.....	.....	4.7
Do	1871	.....	.....	14,169	58,208	8,426	66,694	†874	†126	.....	.....	4.7

* Tenements in front or rear houses. † Inhabitants.

What tenements were used solely for living purposes, and what both to live and to work in, is set forth as follows:

Cities.	Year.	Tenements.		Population in tenements.		Per 1,000 tenements.		Per 1,000 inhabitants.		Average number of inmates.	
		With industrial use.	Without industrial use.	With industrial use.	Without industrial use.	With industrial use.	Without industrial use.	With industrial use.	Without industrial use.	With industrial use.	Without industrial use.
Berlin	1861	22,310	83,501	141,609	397,324	213	787	211	789	5.57	4.72
Do	1864	29,303	101,368	150,891	449,852	228	772	225	775	5.15	4.46
Do	1867	32,702	119,939	160,431	513,969	214	786	214	785	4.91	4.29
Do	1871	36,030	142,129	176,521	618,730	212	798	202	798	4.90	4.35
Do	1875	35,850	177,204	166,025	774,546	166	834	177	823	4.70	4.37
Do	1880	39,495	216,434	175,886	914,008	154	846	161	839	4.45	4.22
Hamburg	1867	16,530	31,825	86,892	130,809	342	658	399	601	5.25	4.11
Hamburg and surrounding places	1880	23,406	65,420	123,957	282,900	264	736	305	695	5.30	4.32
Breslau	1875	6,285	47,047	30,042	199,171	118	882	131	869	4.78	4.23
Do	1880	8,113	52,502	38,507	222,075	134	866	148	852	4.75	4.23
Dresden	1875	4,942	38,498	.....	.....	114	886	.....	.....	.....	.....
Do	1880	7,042	42,791	.....	.....	141	856	.....	.....	.....	.....
Leipsic	1880	3,583	24,927	19,639	124,484	126	875	136	864	5.48	4.99
Königsberg	1864	2,755	16,197	17,345	77,301	146	854	183	817	6.30	4.77
Frankfort-on-the-Main	1871	1,822	15,597	11,846	79,026	105	895	130	870	6.50	5.07
Do	1875	2,210	18,026	.....	.....	109	891	.....	.....	.....	.....
Frankfort-on-the-Main, including Bornheim	1880	3,612	24,151	19,219	113,125	130	870	133	867	5.32	4.61
Chemnitz	1867	*1,147	16,452	.....	.....	252	748	.....	.....	.....	.....
Do	1871	*5,006	14,169	.....	.....	261	739	.....	.....	.....	.....

* Tenements with rooms used exclusively for industrial purposes.

Considered as back and front tenements, the relation was as follows:

Cities.	Year.	Front tenements.		Back tenements.		Front per 1,000.		Back per 1,000.	
		With industrial use.	Without industrial use.	With industrial use.	Without industrial use.	With industrial use.	Without industrial use.	With industrial use.	Without industrial use.
Berlin	1861	17,393	57,487	4,845	24,729	230	770	162	838
Do	1864	22,907	67,839	6,247	30,987	248	752	166	834
Do	1867	26,169	84,248	6,538	35,601	237	763	155	845
Do	1871	27,271	95,080	8,759	47,099	223	777	157	843
Do	1875	25,695	108,759	9,655	68,445	191	809	124	876
Do	1880	28,884	138,758	10,611	77,676	172	828	120	880
Hamburg	1867	14,155	20,275	2,384	11,550	411	589	171	829
Hamburg and surrounding places	1880	19,713	43,440	3,603	21,980	312	688	144	856
Breslau	1875	4,094	27,272	2,251	19,775	128	872	121	879
Do	1880	5,352	31,023	2,761	21,479	147	853	114	886
Königsberg	1864	2,615	14,906	140	1,291	150	850	98	902
Frankfort-on-the-Main	1871	1,502	12,973	320	2,624	104	896	109	891
Do	1875	1,803	15,237	347	2,789	104	896	109	891
Frankfort-on-the-Main, including Bornheim	1880	3,170	21,208	442	2,883	130	870	133	867

The classification of tenements according to height, story, and size was as follows:

Cities.	Year.	Cellar.	Ground floor.	Intermediate story.	Second story.	Third story.	Fourth story.	Fifth story.	Garret.	Different stories.	Whole houses.
Berlin	1861	9,654	24,011	787	27,351	23,237	15,629	3,785	.....	.....	.....
Do	1864	11,985	26,936	923	30,699	29,403	21,784	7,260	.....	.....	.....
Do	1867	14,292	29,245	949	35,607	33,748	27,558	11,242	.....	.....	.....
Do	1871	19,240	33,496	1,157	40,435	37,480	31,565	14,777	.....	.....	.....
Do	1875	21,639	33,276	3,626	43,997	43,795	38,014	20,164	5,968	2,075	.....
Do	1880	23,299	37,442	3,866	49,955	50,332	46,427	31,352	10,416	2,850	.....
Hamburg	1867	2,836	10,772	36	11,016	10,005	6,349	1,878	.....	.....	5,472
Hamburg and surrounding places	1875	4,439	17,653	73	16,887	14,124	8,828	3,069	.....	.....	9,180
Do	1880	5,747	18,199	109	19,021	17,480	11,883	4,928	.....	3,108	8,347
Breslau	1875	2,611	10,542	13,390		12,272	9,738	4,555	.....	.....	224
Do	1880	2,492	8,013	16,888		13,440	11,900	6,388	1,019	1,006	.....
Dresden	1875	1,650	7,936	59	9,664	7,702	5,618	2,765	7,056	.....	.....
Do	1880	1,464	7,364	89	10,683	10,008	9,245	8,450	*13,906	2,445	.....
Leipsic	1867	200	2,096	50	3,540	3,885	3,092	1,502		.....	.....
Do	1880	575	4,476	152	6,739	6,735	5,838	3,847		148	
Königsberg	1864	531	8,667	92	6,044	2,891	704	53		.....	.....
Frankfort-on-the-Main	1867	4	2,267	50	4,619	3,922	2,136	232		1,085	
Do	1871	20	2,806	48	5,200	4,674	2,815	357		409	
Do	1875	36	3,140	71	5,789	5,396	3,512	649		1,643	
Frankfort-on-the-Main, including Bornheim	1880	39	4,813	80	7,817	7,035	4,901	1,201		1,867	
Chemnitz	1867	12	2,610	28	4,264	3,076	1,807	418	.....	.....	.....
Do	1871	18	2,818	41	4,674	3,536	2,416	666	.....	.....	.....

* The garrets here are also counted among the several stories to which they relate.

The proportion for every 1,000 tenements is made out to have been as follows:

Cities.	Year.	Cellar.	Ground floor.	Intermediate story.	Second story.	Third story.	Fourth story.	Fifth story.	Garret.	Different stories.	Whole houses.
Berlin	1861	92	230	8	262	222	150	36		.....	.....
Do	1864	94	205	7	236	221	170	57		10	.....
Do	1867	94	192	6	233	221	180	74		.....	.....
Do	1871	108	189	6	227	210	177	83		.....	.....
Do	1875	102	157	17	207	206	178	95	28	10	.....
Do	1880	91	146	15	195	196	181	163		11	.....
Hamburg	1867	58	223	1	228	207	131	39		.....	113
Hamburg and surrounding places	1875	60	238	1	227	190	119	41		.....	124
Do	1880	65	204	1	214	197	134	55		.....	130
Breslau	1875	49	198	.....	251	230	183	85		4	.....
Do	1880	41	132	.....	279	222	187	122		17	.....
Dresden	1875	38	183	1	223	179	129	247		.....	.....
Do	1880	29	148	2	214	202	186	170	.....	49	.....
Leipsic	1867	14	146	5	246	270	215	104		.....	.....
Do	1880	20	157	5	236	236	205	135		5	
Königsberg	1864	28	457	3	319	153	37	3		.....	.....
Frankfort-on-the-Main	1867	.....	158	4	323	274	149	16		76	
Do	1871	1	161	3	304	268	162	20		81	
Do	1875	2	155	4	286	267	174	32		81	
Frankfort-on-the-Main, including Bornheim	1880	1	174	3	282	253	177	43		67	
Chemnitz	1867	1	212	2	347	250	154	34		.....	.....
Do	1871	1	199	3	330	249	171	47		.....	.....

The population of tenements, according to situation in building, is arranged as follows:

Cities.	Year.	Cellar.	Ground floor.	Intermediate story.	Second story.	Third story.	Fourth story.	Fifth story.	Garret.	Different stories.	Whole houses.
Berlin	*1861	48,326	119,340	3,002	133,683	112,080	76,975	18,437	.....	.....	.....
Do	†1864	55,942	129,464	3,233	141,549	129,828	99,181	31,699	.....	.....	.....
Do	1867	62,374	133,402	3,173	160,033	148,991	119,428	46,999	.....	.....	.....
Do	1871	85,840	155,196	4,122	180,540	166,872	139,684	62,997	.....	.....	.....
Do	1875	95,908	148,596	14,531	195,336	193,044	168,028	86,164	22,877	16,087	.....
Do	1880	100,271	161,740	15,015	214,087	214,187	197,043	128,941	39,019	19,591	.....
Hamburg	1867	12,311	48,903	134	43,006	40,151	26,855	7,911	.....	.....	38,430
Hamburg and surrounding places	1875	19,713	80,283	326	68,960	59,440	39,354	13,852	.....	.....	64,337
Do	1880	24,891	79,826	420	75,668	71,979	51,218	21,888	.....	19,792	61,175
Breslau	1875	10,607	45,044	.....	59,336	52,878	41,581	17,832	.....	.....	2,026
Do	1880	10,010	33,466	.....	73,999	58,268	49,454	25,167	3,622	6,596	.....
Dresden	1875	6,372	39,486	280	47,455	35,561	25,166	12,348	31,889	.....	.....
Do	1880	5,546	30,036	356	43,291	36,904	36,344	34,451	.....	15,943	.....
Leipsic	1867	850	9,819	270	16,613	18,790	15,945	8,025	.....	.....	.....
Do	‡1875	2,856	21,399	454	29,452	28,339	25,443	16,236	.....	.....	3,101
Do	1880	2,479	21,816	833	33,578	33,289	30,229	20,773	.....	.....	1,135
Frankfort-on-the-Main	1871	74	13,413	231	26,554	22,239	12,573	1,318		14,470	
Do	1875	125	14,700	363	29,047	25,089	15,393	2,280		12,511	
Frankfort-on-the-Main, including Bornheim	1880	154	22,143	465	37,012	32,362	22,177	4,800		13,231	
Königsberg	1864	2,898	46,234	257	28,390	13,437	3,280	410		.....	.....
Stettin	1867	3,750	20,247		19,187	18,875	9,933	5,380	.....	.....	.....
Chemnitz	1867	46	12,716	162	20,848	18,665	8,328	1,616	.....	.....	.....
Do	1871	121	14,541	251	22,150	15,976	10,886	2,769	.....	.....	.....

*Exclusive of 10,090 inhabitants.
†Whose story is not given.
‡Including people in asylums.

Each 1,000 inhabitants are then said to have been distributed as follows:

Cities.	Year.	Cellar.	Ground floor.	Intermediate story.	Second story.	Third story.	Fourth story.	Fifth story.	Garret.	Different stories.	Whole houses.
Berlin	1861	95	283	6	261	219	150	36		.....	.....
Do	1864	94	219	5	239	220	168	54		10	.....
Do	1867	92	198	5	237	221	177	70		.....	.....
Do	1871	108	195	5	227	210	176	79		.....	.....
Do	1875	102	158	15	208	205	179	116		.....	17
Do	1880	92	148	14	196	196	181	155		.....	18
Hamburg	1867	57	224	1	197	184	128	37	.....	.....	177
Hamburg and surrounding places.	1875	57	231	1	199	172	114	40	.....	.....	186
Do	1880	61	194	.....	187	178	127	54	... ...	49	150
Breslau	1875	46	197	.....	259	230	181	78		9	.....
Do	1880	38	128	.....	284	224	190	97	14	25	.....
Dresden	1875	32	199	1	239	179	127	223		.....	.....
Do	1880	27	147	2	211	190	177	168	.....	78	.....
Leipsic	1867	12	130	4	238	266	226	114		.....	.....
Do	1875	23	168	4	231	223	200	127		.....	24
Do	1880	17	151	6	233	231	209	145		.....	8
Königsberg	1864	30	488	3	300	142	35	2		.....	.....
Frankfort-on-the-Main	1871	1	147	3	292	245	139	14		159	
Do	1875	1	148	4	292	252	155	28		125	
Frankfort-on-the-Main, including Bornheim.	1880	1	167	4	280	244	168	36		100	
Stettin	1867	52	280		265	192	137	74		.....	.....
Chemnitz	1867	1	222	3	368	256	145	28		....	.....
Do	1871	2	218	4	332	240	168	41		.....	.....

The average number of persons to each tenement, according to situation in house, is represented to have been as follows:

Cities.	Year.	Cellar.	Ground floor.	Intermediate story.	Second story.	Third story.	Fourth story.	Fifth story.	Garret.	Different stories.	Whole houses.
Berlin	1861	5.0	5.0	3.8	4.9	4.8	4.9	4.9		.....	.....
Do	1864	4.7	4.8	3.5	4.6	4.6	4.6	4.6		.....	.....
Do	1867	4.4	4.6	3.4	4.5	4.4	4.3	4.2		.....	.....
Do	1871	4.5	4.6	3.6	4.5	4.5	4.4	4.3		.....	.....
Do	1875	4.4	4.5	4.0	4.4	4.4	4.4	4.3	3.8	7.7	.....
Do	1880	4.3	4.3	.....	4.3	4.3	4.2	4.0		6.9	.....
Hamburg	1867	4.3	4.5	3.7	3.9	4.0	4.2	4.2		.....	7.0
Hamburg and surrounding places.	1875	4.4	4.6	4.5	4.1	4.2	4.5	4.5		.....	7.0
Do	1880	4.3	4.4	.....	4.0	4.1	4.3	4.4		6.4	7.3
Breslau	1875	4.1	4.3	.....	4.4	4.3	4.3	3.9		.....	.....
Do	1880	4.0	4.2	.....	4.4	4.3	4.4	3.9	3.6	6.6	.....
Dresden	1875	3.9	5.0	4.7	4.9	4.6	4.5	4.5	4.0	.....	.....
Do	1880	3.8	4.1	4.0	4.1	3.9	3.9	4.1	.....	6.5	.....
Leipsic	1867	4.3	4.7	5.4	4.7	4.8	5.2	5.3		.....	.....
Do	1880	4.3	4.9	5.5	5.0	4.9	5.2	5.4		.....	7.7
Königsberg	1864	5.3	5.3	4.1	4.7	4.6	4.7	7.7		.....	.....
Frankfort-on-the-Main	1871	3.7	4.8	4.8	5.0	4.8	4.5	3.7		10.3	
Do	1875	3.5	4.9	5.1	5.0	4.7	4.4	3.5		7.6	
Frankfort-on-the-Main, including Bornheim.	1880	3.9	4.6	5.8	4.7	4.6	4.5	4.0		7.1	
Chemnitz	1867	3.8	4.9	5.7	4.9	4.4	4.4	3.9		.....	.....
Do	1871	6.7	5.2	6.1	4.7	4.5	4.5	4.2		.....	.....

The most customary way of classifying the tenements seems to be according to number of rooms that can be heated. By this result the number of persons to a room is got at. The exhibit in this respect is as follows:

Cities.	Year.	Without heated room.	Tenements with—					
			One room heated.	Two rooms heated.	Three rooms heated.	Four rooms heated.	Five to seven rooms heated.	Eight and more rooms heated.
Berlin	1861	.....	51,909	26,635	12,721	5,400	5,633	1,702
Do	1864	3,553	62,374	33,221	15,477	6,286	6,549	1,823
Do	1867	2,265	74,972	39,440	17,543	7,795	8,422	2,404
Do	1871	4,597	98,481	42,285	18,088	8,265	8,959	2,484
Do	1875	3,239	109,115	53,689	22,010	9,831	11,472	3,198
Do	1880	3,230	127,509	67,901	27,273	11,929	14,318	3,769
Hamburg and suburbs	1867	.....	25,060	11,235	5,209	2,692	2,902	1,266
Hamburg and neighboring places	1875[1]	669	31,681	17,374	8,706	4,727	5,144	2,911
Do	1880[1]	898	34,885	25,229	12,620	5,196	5,585	3,310
Breslau	1875	175	22,586	15,139	6,846	4,394	3,506	686
Do	1880	337	35,768	13,172	6,113	2,282	2,537	406
Dresden	1880	122	27,550	10,177	4,973	2,710	3,240	1,061
Leipsic	1867	2	5,538	2,718	2,138	1,235	1,400	334
Do	1871	2	5,821	4,344	2,636	1,501	1,620	370
Do	1875	.....	6,903	6,373	4,519	2,658	2,674	872
Do	1880	15	8,127	7,765	5,696	2,966	3,018	923
Königsberg	1864	.....	11,920	3,498	1,475	970	827	267
Frankfort-on-the-Main	1871	68	5,484	3,554	2,490	1,843	3,168	812
Frankfort-on-the-Main, including Bornheim	1880	22	6,567	6,153	4,798	3,469	5,068	1,666
Stettin	1867	494	9,219	2,597	1,484	738	841	248
Chemnitz	1867	.....	2,358	1,433	627	398	380	109
Do	1871	.....	10,734	1,720	711	419	453	132

[1]Besides the tenements mentioned there were the following, without the number of rooms given—1875, 3,041; 1880, 1,153.

The rate per 1,000 tenements is as follows:

Cities	Year.	Rooms that could be heated.						
		None.	One.	Two.	Three.	Four.	Five to seven.	Eight and more.
Berlin	1861	.....	499	257	122	52	54	16
Do	1864	28	491	259	118	46	47	11
Do	1867	15	491	268	115	51	54	16
Do	1871	26	525	227	102	46	50	14
Do	1875	15	513	253	104	46	54	15
Do	1880	13	498	265	106	47	56	15
Hamburg, with suburbs	1867	.....	518	232	108	56	60	26
Hamburg, with neighboring places	1875	9	427	234	117	64	69	39
Do	1880	10	398	284	142	59	62	37
Breslau	1875	3	424	284	128	82	66	13
Do	1880	6	590	217	101	38	42	6
Dresden	1880	2	553	204	100	54	65	22
Leipsic	1867	.....	386	259	149	86	97	23
Do	1871	.....	357	267	162	92	99	23
Do	1875	.....	288	266	188	111	111	36
Do	1880	1	285	272	200	104	106	32
Königsberg	1864	.....	629	184	78	51	44	14
Frankfort-on-the-Main	1871	4	315	204	143	105	182	47
Frankfort-on-the-Main, including Bornheim	1880	1	286	222	173	125	183	60
Chemnitz	1867	.....	706	129	63	40	46	16
Do	1871	.....	702	135	61	38	47	17
Stettin	1867	27	593	167	95	48	54	16

The average number of persons to a room then results as follows:

Average number of inmates to each room that could be heated.

Cities.	Year.	Number of rooms.						
		0.	1.	2.	3.	4.	5 to 7.	8 and more.
Berlin	1861	.....	4.3	5.1	5.2	5.8	6.5	10.0
Do	1864	.....	4.0	4.9	5.1	5.6	6.2	8.7
Do	1867	3.7	4.8	4.6	5.9	5.1	6.0	9.8
Do	1871	2.7	4.0	4.7	4.9	5.3	6.1	9.0
Do	1875	3.0	3.9	4.6	4.8	5.4	5.9	8.2
Do	1880	3.1	3.7	4.5	4.7	5.4	5.7	7.1
Hamburg	1867	.....	3.7	4.6	5.3	5.8	6.6	9.5
Do	1875	3.5	3.8	4.6	5.1	5.5	6.1	10.2
Do	1880	3.5	3.7	4.5	4.9	5.3	6.1	8.8
Breslau	1875	.....	3.5	4.4	4.7	5.2	6.6	9.9
Do	1880	3.5	3.8	4.4	5.0	5.7	6.6	8.7
Dresden	1880	2.2	3.6	4.4	4.5	4.8	5.5	7.3
Leipsic	1867	.....	3.9	4.9	5.5	5.8	6.5	7.3
Do	1871	1.5	4.0	5.1	5.7	6.0	6.5	7.2
Do	1875	.....	3.7	4.9	5.4	5.8	6.4	7.7
Do	1880	2.4	3.8	5.1	5.4	5.7	6.2	7.4
Königsberg	1864	.....	4.5	4.9	5.6	6.6	8.5	10.5
Frankfort-on-the-Main	1871	2.0	3.6	4.9	5.5	5.7	6.1	12.6
Do	1880	2.4	3.5	4.3	4.8	5.3	5.7	7.6
Chemnitz	1867	.....	4.3	5.2	5.8	5.8	7.0	8.6
Do	1871	.....	4.3	5.2	5.7	6.0	7.0	8.5

The average number of persons to a tenement, according to number of rooms that could be heated, stands as follows:

Average number of inmates to each heatable room in tenement, with the number of rooms that could be heated.

Cities.	Year.	Number of rooms.					
		1.	2.	3.	4.	5 to 7.	8 and more.
Berlin	1861	4.32	2.54	1.74	1.45	1.06	0.97
Do	1864	4.06	2.43	1.70	1.40	1.04	0.87
Do	1867	3.86	2.30	1.64	1.39	0.99	0.89
Do	1871	4.01	2.34	1.64	1.32	1.06	0.90
Do	1875	3.90	2.33	1.63	1.35	1.06	0.89
Do	1880	3.75	2.23	1.56	1.28	1.01	0.78
Hamburg, with suburbs	1867	3.66	2.30	1.76	1.44	1.17	1.08
Hamburg, with neighboring places	1875	3.80	2.32	1.77	1.36	1.07	0.98
Do	1880	3.74	2.23	1.62	1.36	1.01	0.86
Breslau	1875	3.55	2.16	1.58	1.30	1.11	0.90
Do	1880	3.84	2.20	1.67	1.48	1.17	0.97
Dresden	1880	3.59	2.20	1.49	1.21	0.96	0.69
Leipsic	1867	3.94	2.47	1.82	1.44	1.14	0.81
Do	1871	4.00	2.57	1.90	1.50	1.15	0.84
Do	1875	3.76	2.45	1.80	1.45	1.13	0.80
Do	1880	3.84	2.58	1.80	1.43	1.10	0.76
Königsberg	1864	4.45	2.45	1.86	1.66	1.41	0.95
Frankfort-on the-Main	1871	3.61	2.42	1.62	1.43	1.09	0.98
Frankfort-on-the-Main, including Bornheim	1880	3.49	2.14	1.61	1.31	1.00	0.70
Chemnitz	1867	4.3	2.6	1.9	1.4	1.2	0.8
Do	1871	4.3	2.6	1.9	1.4	1.2	0.5

The average number of rooms to a tenement and average number of those that could be heated, with average number of inmates, according to this division, in a number of cities in recent years, was as follows:

Cities.	Year.	Per tenement.		Inmates.	
		Rooms.	Rooms that could be heated.	Per room.	Per rooms that could be heated.
Berlin	1861	.....	2.07	.....	2.36
Do	1864	.....	2.05	.....	2.26
Do	1867	.....	2.05	.....	2.16
Do	1871	2.48	1.91	1.80	2.33
Do	1875	2.33	1.97	1.89	2.24
Do	1880	2.29	2.00	1.86	2.13
Hamburg, with suburbs	1867	.....	2.11	.....	2.13
Hamburg, with neighboring places	1875	.....	2.43	.....	1.92
Do	1880	.....	2.40	.....	1.91
Breslau	1875	2.05	2.20	1.57	1.97
Do	1880	2.73	1.78	2.09	2.42
Dresden	1875	3.29	2.22	1.39	2.10
Do	1880	3.19	2.07	1.29	1.99
Leipsic	1867	.....	2.45	.....	2.00
Do	1871	.....	2.51	.....	2.08
Do	1875	3.37	2.81	1.27	1.80
Do	1880	4.08	2.76	1.26	1.83
Königsberg	1864	.....	1.84	.....	2.79
Frankfort-on-the-Main	1871	4.75	3.18	1.19	1.64
Frankfort-on-the-Main, including Bornheim	1880	4.69	3.39	1.02	1.41
Stettin	1867	.....	1.94	.....	2.53

In every 1,000 tenements there were—

Cities.	Year.	Inhabitants.				
		1.	2.	3 to 5.	6 to 10.	Over 10.
Berlin	1875	54	151	520	263	12
Do	1880	63	151	538	238	10
Hamburg, with suburbs	1867	81	166	468	256	29
Hamburg, with neighboring places	1875	12	64	410	416	98
Do	1880	13	65	435	401	86
Breslau	1875	76	161	504	242	17
Do	1880	67	157	518	244	14
Dresden	1880	87	176	502	523	
Frankport-on-the-Main	1875	64	132	463	300	41
Do	1880	50	129	505	290	26
Leipsic	1867	41	121	482	329	27
Do	1871	35	111	469	350	35
Do	1875	41	114	476	334	36

The overfilling of the small tenements is set forth by the following table:

Cities.	Year.	Tenements without heatable room.		Tenements with one heatable room.		Tenements with two heatable rooms.		Total small.	Total overfilled.	No. of inhabitants.	
		With up to 5 inmates.	With 6 and more inmates.	With up to 5 inmates.	With 6 and more inmates.	With up to 9 inmates.	With 10 and more inmates.			Small.	Overfilled.
Berlin	[1]1861	.....	.....	37,648	14,261	25,297	1,338	78,544	15,599	359,733	116,700
Do	[1]1864	.....	.....	51,188	14,789	32,125	1,096	99,148	15,835	420,808	116,371
Do	1867	.....	.....	62,573	14,664	38,530	910	116,677	15,574	476,729	111,280
Do	1871	.....	.....	72,279	21,202	41,100	1,185	140,368	22,387	585,268	162,007
Do	1875	2,886	353	87,780	21,335	53,689	1,135	166,043	22,823	685,328	162,492
Do	1880	2,871	359	106,012	21,497	66,867	1,034	198,640	22,890	790,425	159,639
Hamburg with suburbs	1867	.....	.....	[2]20,721	4,339	10,804	413	36,295	4,752	145,333	35,129
Hamburg with neighboring places	1875	.....	.....	[2]27,011	5,331	16,954	420	49,724	5,751	208,174	41,418
Do	1880	.....	.....	[2]29,792	5,991	24,602	537	61,012	6,528	246,082	47,370
Breslau	1875	170	5	19,150	3,436	14,932	207	37,900	3,648	145,992	42,470
Do	1880	283	54	29,075	6,698	12,837	335	49,277	7,082	196,495	52,941
Dresden	1880	110	10	23,007	4,414	9,844	287	37,672	4,711	144,023	33,908
Leipsic	1867	2	.....	4,413	1,124	3,563	155	9,257	1,279	40,240	9,510
Do	1871	2	.....	4,589	1,252	4,144	200	10,167	1,432	45,654	10,871
Do	1875	.....	.....	5,687	1,216	6,133	240	13,276	1,456	57,336	11,196
Do	1880	.....	.....	.....	.....	.....	.....	15,907	.....	70,656	.....
Königsberg	1864	.....	.....	8,605	3,315	3,338	155	15,413	3,470	70,172	25,357
Frankfort-on-the-Main	1871	68	.....	5,358	126	3,509	45	9,106	171	37,174	1,372
Frankfort-on-the-Main, including Bornheim	1880	22	.....	6,274	114	6,127	26	12,742	140	49,368	1,044
Stettin	1867	.....	.....	.....	.....	.....	.....	12,240	.....	.....	.....
Chemnitz	1867	.....	.....	.....	.....	.....	.....	10,791	.....	47,890	.....
Do	1871	.....	.....	.....	.....	.....	.....	12,454	.....	55,806	.....

[1] In these years tenements having no room that could be heated that were overcrowded were reckoned among those with but one room that could be heated.
[2] Including tenements having no room that could be heated.

The rate per 1,000 tenements then thus results:

Cities.	Year.	No. of small tenements per 1,000.	No. of tenements overfilled per 1,000.				Average No. of inmates—	
			Without heatable room.	With 1 heatable room.	With 2 heatable rooms.	Total.	To each small tenement.	To each overfilled tenement.
Berlin	1861	756	.....	182	17	199	4.6	7.5
Do	1864	778	.....	149	11	160	4.2	7.3
Do	1867	774	.....	125	8	133	4.1	7.1
Do	1871	788	.....	151	8	159	4.2	7.2
Do	1875	781	2	128	7	137	4.1	7.1
Do	1880	776	2	108	5	115	4.0	7.0
Hamburg with suburbs	1867	750	.....	120	11	131	3.9	7.4
Hamburg with neighboring places	1875	670	.....	107	9	116	4.1	7.2
Do	1880	687	.....	98	9	107	4.0	7.3
Breslau	1875	711	.....	91	5	96	3.9	.....
Do	1880	813	1	136	7	144	4.0	7.5
Dresden	1880	756	0.3	117	8	125	3.8	7.2
Leipsic	1867	645	.....	121	17	138	4.3	7.4
Do	1871	624	.....	121	20	141	4.5	7.6
Do	1875	554	.....	92	18	110	4.3	7.7
Do	1880	558	.....	.....	.....	.....	4.4	.....
Königsberg	1864	813	.....	215	10	225	4.6	7.3
Frankfort-on-the-Main	1871	523	.....	14	5	19	4.1	8.0
Frankfort-on-the-Main, including Bornheim	1880	459	.....	25	2	27	3.9	7.5
Chemnitz	1867	835	.....	.....	.....	.....	4.4	.....
Do	1871	837	.....	.....	.....	.....	4.5	.....
Stettin	1867	620	.....	.....	.....	.....	.....	.....

The average number of tenements rented out of every 1,000 appears from the following table:

Cities.	Year.	Total tenements.	Of each 1,000 tenements.		
			Were occupied by owners.	By servants or people paying no rent.	By tenants.
Berlin	1871	178,159	50	950	
Do	1875	212,554	45	955	
Do	1880	255,929	39	961	
Hamburg with suburbs	1867	48,427	.....	25	.....
Hamburg with neighboring places	1875	74,253	.....	30	.....
Do	1880	88,826	.....	29	.....
Breslau	1875	53,332	56	944	
Do	1880	59,344	48	32	920
Dresden	1875	43,440	97	908	
Do	1880	49,883	90	910	
Leipsic	1867	17,090	48	38	914
Do	1880	28,510	72	928	
Königsberg	1864	18,952	99	901	
Bremen	1867	18,859	298	13	689
Do	1871	21,602	304	12	684
Do	1875	27,525	338	16	651
Do	1880	27,735	310	14	676

The average rent paid in Berlin, Hamburg, Breslau, Leipsic, and Stettin is to be gathered from the following table:

	Berlin.		Hamburg including neighboring places.		Breslau.		Leipsic.				Dresden.	Stettin.
	1875.	1880.	1875.	1880.	1875.	1880.	1867.	1871.	1875.	1880.	1880.	1867.
	Dolls.	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*
(*a*) For a tenement:												
All tenements	171	126	145	143	77	75	81	87	127	114	85	79
Front tenements	206	154	.....	175	99	97	.....	.....	.....	.....	.....	.....
Rear tenements	106	75	.....	64	47	40	.....	.....	.....	.....	.....	.....
Tenements used industrially	198	149	.....	202	96	109	.....	.....	.....	135	98	.....
Tenements not industrially used	166	122	.....	121	74	69	.....	.....	.....	120	83	.....
Occupied by owners	469	379	.....	169	189	227	.....	.....	.....	.....	166	.....
Used by servants or let gratis	157	116	.....	.....	.....	52	....	.....	123	115	72	.....
Rented tenements						70						
Tenements in the—												
Cellar	111	84	.....	111	47	39	38	.....	44	34	26	.....
Ground floor	234	181	.....	130	82	70	76	.....	110	128	79	.....
Entresol	139	118	.....	121	.....	.....	75	.....	.....	95	90	.....
Second story	216	161	.....	96	87	79	89	.....	131	141	96	.....
Third story	167	129	.....	99	84	79	91	.....	124	130	99	.....
Fourth story	127	99	.....	99	75	67	79	.....	114	112	72	.....
Fifth story	88	58	.....	84	43	35	54	.....	80	72	47	.....
Garret	70	50	.....			29		.....	49			.....
Tenements embracing several stories	857	615	.....	365	.....	259	.....	.....	.....	541	235	.....
(*b*) For a room that could be heated:												
Average for all kinds	84	68	62	60	.....	42	33	35	46	43	41	43
in the cellar	80	59	.....	.....	.....	33	23	.....	31	24	24	.....
ground floor	113	86	.....	.....	.....	44	35	.....	44	48	44	.....
entresol	97	74	.....	.....	.....	.....	33	.....	.....	41	39	.....
second story	91	67	.....	.....	.....	44	36	.....	50	48	45	.....
third story	74	58	.....	.....	.....	43	35	.....	46	45	42	.....
fourth story	64	49	.....	.....	.....	38	31	.....	43	40	37	.....
fifth story	56	41	.....	.....	.....	29	25	.....	35	32	34	.....
garret	56	41	.....	.....	.....	27		.....	34			.....

NOTE.—The reduction into dollars was made at the rate of 4 marks to the dollar.

The rate per 1,000 tenements is then:

Cities.	Year.	In every 1,000 tenements the average rent was as follows—			
		Up to $62.	From $63 to $125.	From $125 to $250.	Over $250.
(a) All kinds of tenements:					
Hamburg with neighboring places	1875	416	274	179	131
Do	1880	412	300	166	122
Breslau	1875	673	181	97	49
Do	1880	693	161	99	47
Leipsic	1875	406	241	258	95
Do	1880	470	230	201	99
Dresden	1880	664	169	106	61
Stettin	1867	651	192	113	44
(b) Front tenements:					
Hamburg with neighboring places	1880	291	321	220	168
Breslau	1875	589	232	151	74
Do	1880	573	215	145	67
(c) Rear tenements:					
Hamburg with neighboring places	1880	710	248	32	10
Breslau	1875	856	113	23	8
Do	1880	910	70	18	2
(d) Tenements used also to work in:					
Hamburg with neighboring places	1880	160	340	292	208
Breslau	1880	524	242	150	84
(e) Tenements not all used industrially:					
Hamburg with neighboring places	1880	504	285	119	92
Breslau	1880	740	142	84	34

Finally, the proportion of rent to income in Berlin, Hamburg, Breslau, Leipsic, and Dresden is made out to have been as follows:

Income.	Percentage of rent to income.						
	Berlin, 1876 (6,170 cases*).	Hamburg.			Breslau, 1880 (34,897 cases*).	Leipsic, 1875 (4,021 cases*).	Dresden, 1880 (30,825 cases*).
		1868 (13,050 cases*).	1874 (14,691 cases*).	1882 (17,289 cases*).			
Up to $150	2.0	22.3	24.2	26.5	28.7	29.9	26.8
$150 to $300	24.7	18.8	20.9	23.5	21.0	21.2	18.4
300 to 450	21.8	19.9	21.1	18.9	20.8	19.7	16.3
450 to 600	21.6	20.3	20.9	19.5	19.1	20.4	15.9
600 to 750	18.6	19.5	19.2	18.8	19.7	18.3	15.4
750 to 900	21.3	19.6	19.0	17.9	19.8	16.9	15.3
900 to 1,200	18.6	19.1	17.8	17.8	18.3	15.5	15.4
1,200 to 1,500	17.9	18.6	17.4	18.3	18.3	15.4	14.6
1,500 to 3,000	15.0	16.0	15.5	16.7	18.7	18.1	13.0
3,000 to 7,500	11.7	11.5	10.8	12.2	8.9	8.4	9.9
7,500 to 15,000	8.8	6.7	7.4	8.1	8.6	5.5	7.1
Over $15,000	3.6	3.7	3.8	3.9	8.4	1.9	3.9

* Number of cases used in calculation.

Thirteen places are considered by the work before me, to each of which an article is devoted. These places are Berlin, Hamburg, Breslau, Leipsic, Frankfort-on-the-Main, Strasburg, Chemnitz, Elberfeld, Crefeld, Dortmund, Essen, Bochum, and Osnabrück; which I will take up in order, according to population. Berlin consequently first claims our attention.

BERLIN.

[The article on Berlin is by Dr. G. Berthold of that city.]

In 1810 Berlin had 162,971 inhabitants, in 1885 a population of 1,312,975. It is therefore almost entirely a product of the present century, resembling an American city in its rapid growth, and bears the impress of this century in the character of its streets to a greater extent than almost any other German city of size. The mediæval character is absent from it, and we do not expect to find there the narrow, sinuous streets of its aged contemporaries. But, notwithstanding that it is a creation of the nineteenth century, and abounds in straight and wide thoroughfares, it is sadly lacking in an abundance of good quarters for the industrious poor. In 1864 the population was 633,279, so that its greatest increase was during the twenty-one years ending December 1, 1885.

The 1,312,975 persons living in Berlin in 1885 dwelt in 26,203 houses, divided up into 315,063 tenements, or much too small a number. The city has been rapidly increasing in population, but the increase in the number of places of abode for the middle and lower classes of people has not kept pace with the increase in population, and repeatedly has a great lack of dwelling accommodations made itself felt, affecting principally the laboring people.

From the earliest years of the century complaint has been made of a scarcity in Berlin of good dwellings, and of constantly increasing rents. At one time (1856) it is said that 800 families were absolutely without shelter, owing to an inability to find lodgings; and about 1870 there were 600 in a similar plight, who had to be provided for in public buildings. It has also come to pass at other times that families unable to procure dwellings at moving seasons have been obliged to camp out in the open fields with their household effects. This is because but few tenements stand empty, and it is said that in 1886 but 2.2 per cent. of all the dwellings in Berlin stood empty.

In 1861 there were on an average 48.3 persons to each building lot, and the number has gradually increased until in 1885 there were at least 66 to each lot, but an exact enumeration was not possible in this year. The average area in 1876 to each individual was 63 square meters (677 square feet), while in 1885 it was but 48.1 square meters (516 square feet). It is calculated that there should be 54 square meters to each inhabitant.

The average rent paid in Berlin for an apartment or tenement for a year, consisting on the average of 2¼ rooms, containing 1⅓ inmates to the room, was 505 marks ($125) in 1880, against an average annual rent of 606 marks ($150) in 1875. This was the average for all parts of the city. The highest average paid by any part of the town was 2,669 marks ($667), the lowest average by any part, 214 marks ($53).

While the working people of the capital do not live in any particular section, yet they are found, for the most part, away from the center of the city, in houses where the rents are low and the accommodations correspondingly meager; and among them much subletting is done, leading to a dreadful overcrowding of the tenements in which they dwell.

The statistics of 1880 showed that there were in Berlin 256,365 separate households, of which 18,318, or 7.1 per cent., had one roomer each, and 39,298, or 15.3 per cent., night lodgers. These 39,298 households having night lodgers exhibit a dark picture of tenement-house

life in Berlin. One of these households had 34 night lodgers, one 11, seven 10, 25,357 had each 1 lodger, and 7,953 had each 2 lodgers, etc. Of these 39,298 distinct households, 15,065, or about 38 per cent., had but one room, in which, besides the family, including oftentimes children, there were lodgers; 6,953 of them having each 1 male lodger and 4,132 a female lodger. In each of 1,790 there were 2 male lodgers; in 607 1 male lodger and 1 female lodger, in 721 2 female lodgers, in 357 3 male lodgers. The highest number of lodgers sleeping in any one room was 8, 7 men and 1 woman in addition to the family itself, consisting of a man, his wife, and their children; and there were 10 men found sleeping in one room, with one woman as their head.

It is astonishing to what extent some houses are inhabited. One house has been known to hold 487 persons, 170 of them children, divided up into 141 households. For health and morals both this is a bad condition of things.

A large number of what are known as cellar dwellings exist in Berlin. In 1880 there were 23,289 cellar dwellings, that is, rooms below the ground, containing 100,301 inhabitants, of which 15,535 had water-pipes, but only 1,404 were provided with water-closets.

With respect to the entresol rooms it is to be said that they are frequently only 5 to 6 feet high when they should be 7½ feet. Poor places in themselves for human beings to dwell in; a room often is used in a threefold character of sitting-room, bedroom, and kitchen.

Garret-rooms, too, are often used as living-rooms, but a part of them thus employed are unfit for the purpose. There is a high mortality among people living in the fifth and higher stories of tenement houses, and a large per centage of the deaths is said to be caused by unhealthy garret-rooms.

The police regulations of Berlin of 1880 require 3 square meters (32 square feet) of floor surface for each occupant of a sleeping-room, and 10 cubic meters (352 cubic feet) of air space, in order to prevent the frightful overcrowding to which there is such a tendency among the poor; children under six years of age have to have one-third of this space, and those from six to fourteen years old two-thirds of it.

The providing of Berlin with sewerage has had a very favorable effect upon the health of its inhabitants, and very much diminished the mortality among them. To what an extent the houses of the city have been provided with sewerage, and in what an astonishing degree they were lacking in this respect, will be seen from some figures I will give. In 1875, it is said, there were only 57 houses with sewerage. This number rose to 968 in 1876. to 989 in 1877, and so on up to April 1, 1886, when there were 15,783 houses connected with the sewers.

In 1880 there were in Berlin 3,230 tenements of one room that could not be heated, containing 10,051 inmates, or over 3 persons on the average to a room; 127,509 tenements of one room that could be heated, containing 478,052 inmates, or 3.75 persons on the average to a room; 67,901 tenements of two rooms that could be heated, or 135,802 rooms, containing 302,322 inmates, or on the average 2.23 persons to a room. These statistics show a less number of persons to a room than at any time since 1867. The average number of persons in a room in the three classes of tenements just mentioned, taken together, in the years 1867 to 1880, were as follows: In 1867, 2.16 persons; in 1871, 2.33 persons; in 1875, 2.24 persons; in 1880,

2.13 persons. Of the city's entire population there were 790,425 in 1880 living in tenements consisting of not more than two rooms that could be heated. When it is taken into consideration that in 1880 the entire population of Berlin consisted of 1,122,330 souls, it will be seen that the great mass of the city's inhabitants lived in very narrow limits.

In 1880 there were 23,289 under-ground or cellar tenements in Berlin, in 1867 some 14,292, containing 100,271 and 62,374 inmates respectively. There were in 1880 37,442 ground-floor tenements, in 1867 some 29,245, with 161,740 and 133,402 inhabitants respectively. In 1880 there were 3,866 tenements between the ground and the second story, in 1867 some 949, with 15,015 and 3,173 occupants. Of second-story tenements there were 49,955 in 1880 and 35,607 in 1867, with 214,087 and 160,033 inmates respectively. Of third-story tenements there were 50,332 in 1880 and 33,748 in 1867, with 214,187 and 148,991 inmates respectively. Of fourth-story tenements there were 46,427 in 1880 and 27,558 in 1867, with 197,043 and 119,428 inmates respectively. Of tenements in the fifth story and higher there were 31,352 in 1880 and 11,242 in 1867, with 128,941 and 46,999 inmates respectively. Of garret tenements in 1880 there were 10,416, with 39,019 inmates, with no statistics for 1867. Of tenements situated partly in one part of the house and partly in another in 1880 there were 2,850, with 19,591 inmates, with no statistics for 1867. (In this designation entire houses occupied by one family are comprehended.) There has thus, it will be seen, been a great increase of tenements in the upper stories. The higher up one goes in a house the cheaper become the tenements and the more divided up.

There were 443 cellar tenements of one room in 1880 that could not be heated, containing 1,597 inhabitants. Of these 9 were less than 2 meters (6½ feet) in height, and 51 from 2 to 2¼ meters high. Of cellar tenements altogether of but one room that could be heated there were 14,327, containing 58,510 occupants, 283 of which were only 2 meters (6½ feet) high, 1,404 from 2 to 2¼ meters high, 3,500 that were 2¼ to 2½ meters (7½ to 8⅛ feet) high, and so on. That is, of the entire number of 23,289 cellar tenements there were 442, with 1886 persons, whose room height was under 2 meters; 2,075, with 8,848 inmates, whose room height was from 2 to 2¼ meters; and 5,673, with 24,722 inhabitants, with a room height of 2¼ to 2½ meters. The building regulations of Berlin say that no room for daily occupancy shall be less than 2½ meters (8⅛ feet) high, and a strict enforcement of this regulation would do away with a large number of these 23,289 cellar tenements.

Worse than the extreme lowness of the cellar tenements is their depth below the street. Of the 443 cellar tenements of but one room that could not be heated, only 59, or 13.3 per cent. of them, were less than 1 meter (3.28 feet) below the outside sidewalk. In the case of 58, or 13.2 per cent., they were 1 to 1¼ meters below the sidewalk; in 170 cases, or 38.4 per cent., they were 1¼ to 1½ meters (4 to 5 feet) below; in 88 cases, or 19.8 per cent., they were 1½ to 1⅝ meters (5 to 5½ feet) below; in 42 cases, or 9.4 per cent., they were 1⅝ to 2 meters (5 7/12 to 6½ feet) below; and in 26 cases, or 5.9 per cent., more than 2 meters below the sidewalk. They are not only used to live and sleep in, but often to work in at the same time.

A great many living and sleeping rooms are also used to work in. According to the statistics of 1880, of 3,230 tenements, consisting of

3,699 rooms and having no room that could be heated, 420 rooms were used for industrial purposes, besides being lived in. Of 127,509 tenements having but one room that could be heated, consisting of 164,745 rooms, 16,130 rooms were used for business purposes. Of the 67,901 tenements having two rooms that could be heated, consisting of 149,925 rooms, 14,587 were used for business purposes. On an average of each 1,000 tenements in 1867 214 were used for business purposes, in 1871 some 212, in 1875 some 176, and in 1880 some 154; and the number of inmates on the average to such a tenement used to live in and to work in at one and the same time sank from 4.91 in 1867 to 4.45 in 1880.

One point of much interest to the statistic-monger that is not set forth would be the remoteness of the homes of the working people of Berlin from their places of labor; but a certain party in Berlin, connected as an officer with one of the trades-unions, has questioned a number of members of the Berlin unions as to the character of their dwellings and the distance between them and their places of work; and, for the purpose of obtaining information on this point about 180 cards were sent out, containing questions to be answered, to which about 147 responses were received. The result was that 33 of the respondents were found to live within ten minutes of their places of work, 15 were ten to fifteen minutes away, 25 some fifteen to twenty minutes away, 8 some twenty to twenty-five minutes, 12 parties twenty-five to thirty minutes, 11 men thirty to forty minutes away, 10 from forty to fifty minutes away, 4 some fifty to sixty minutes, and one was sixty minutes distant. There were 15 of them who worked in the rooms in which they lived, and 5 gave no decided answer. Complaint was made by 31 of them of the cost of conveyance to their places of work and the consequent diminution of their wages; the cost being twelve to fifteen cents a week to get to their places of work, while others had to pay 7½ cents a day, or one-thirtieth of their wages. Some said that the time it took them to go to and from their places of work, coupled with long hours of labor, kept them from having any family life of any account. Of the 147 men 72, or 52 per cent., complained of the unsuitableness of the quarters they were obliged to occupy and the high rent.

It seems that the rents in Berlin declined from 753 marks ($188) per tenement on the average a year in 1875 to 602 marks ($150) in 1880, and then gradually rose to 611 marks ($153) in 1886. The cheap tenements, commanding a rent up to 150 marks ($37.50) a year, decreased from 1881 to 1886 from 48,895 to 44,957, or from 17.52 per cent. of all the tenements to 13.95 per cent. The tenements bringing 150 to 200 marks ($37.50 to $50) a year decreased from 1883 to 1886 from 16.50 per cent. to 16.24 per cent. All the tenements above these figures show an increase in rental value. In the first quarter of 1881 there were 48,895 tenements renting for from 1 to 150 marks (25 cents to $37.50) a year, in the same quarter of 1886 but 44,957. In the first quarter of 1881 there were 106,652 tenements renting for from 150 to 300 marks ($37.50 to $75); in the same quarter of 1886, 130,507 tenements. In 1881 there were 40,427 renting for from 300 to 450 marks ($75 to $112.50), against 49,890 in 1886. Of tenements bringing 450 to 600 marks ($112.50 to $150) there were 20,388, against 24,593 in 1886. Renting above 600 marks ($150) were 62,825, against 72,225 in 1886. The very poor man thus appears to be paying more rent on the average.

During a period of forty years, from 1840 to 1880, the tendency of rents in Berlin has been ever upwards, as the following table in percentages shows:

Rents.	1840-41.	1850.	1860.	187 .	1880.	Rents.	1840-41.	1850.	1860.	1870.	1880.
Up to $22....	18.69	18.78	9.70	7.20	3.68	$300 to $375 .	1.16	1.04	1.68	2.07	2.80
$22 to $37....	31.98	33.23	26.09	27.58	13.32	$375 to $750 .	1.40	1.41	2.38	3.30	5.22
$37 to $75....	24.52	24.56	32.15	35.74	37.95	$750 to $1,125	0.37	0.39	0.77	0.69	1.15
$75 to $150...	14.69	13.70	17.90	18.35	22.14	Over $1,125 .	.....	.....	.....	0.57	1.07
$150 to $225..	4.99	4.75	6.32	6.75	8.16						
$225 to $300..	2.20	2.14	3.01	3.45	4.51		100	100	100	100	100

The smaller the income the greater must be the percentage of it paid out for rent seems to be the law. A computation based upon statistics gathered in 1876 shows that in 6,170 cases, representing every grade of income of taxpayers, those having incomes from 600 to 1,200 marks ($150 to $300) a year paid 24.7 of it for rent; those having 1,200 to 1,800 marks ($300 to $450) paid 21.8 per cent., and so on; while those having 12,000 to 30,000 marks ($3,000 to $7,500) paid 11.7 per cent., and those having from 30,000 to 60,000 marks ($7,500 to $15,000) but 8.8 per cent. The consequence is that in Berlin, as well as in other German cities, an insufficiency of tenements of a character appropriate to their station in life forces a great many of the poor and people of small means to rent tenements out of all proportion to their incomes. whose rent they seek to make up by letting rooms or beds to subtenants and night lodgers, and when these latter fail to pay, the regular tenants find themselves obliged to use all their savings and even dispose of pieces of their furniture to meet the rent. In this way a good many get so reduced in circumstances that they become objects of public support.

One of the causes of the insufficiency of suitable tenements in Berlin for the resident population is the rapid growth of the city, but this is not the only factor. The chief occasion for it is owing to the slight building done in proportion to the great increase of population, and to the indisposition of owners of real estate to erect small dwellings. Even the small buildings that do exist seem to be ever giving way to large and elegant structures commanding high rents. Many public improvements have also brought about their disappearance. Still another operating cause is the inability of the people to build their own houses according to their own wishes and requirements.

For the most part tenements in Berlin are rented by the year, but the poor and people of small means rent oftentimes so that they can move out at any time on one month's notice, and even at two weeks' notice. The rent agreements are said, as a rule, to be very rigorous in character, the conditions of which, even with the best of intentions, the tenants are not always able to observe, and give the landlord a good pretext for eviction; but the practice of the Berlin courts in all cases that come before them is said to be to protect tenants as much as possible against unreasonableness and chicanery on the part of the landlords.

The statistics of Berlin for 1880 show that of every 1,000 tenements rented 350 are not held a year, 196 are occupied from one to two years, 129 kept two to three years, 81 from three to four years, and 244 over four years.

Of 166,043 small tenements in 1875, 22,823 are said to have been overcrowded, and in 1880, of 198,640, there were 22,890 overfilled.

In the small tenements there were 685,328 occupants altogether in 1875, of whom 162,492 were in the overcrowded buildings. In 1880 there were 790,425 persons altogether in the small tenements, of whom 159,639 were in the overpopulated ones. So says Mr. Neefe in his paper in the publication I am considering, but Dr. Berthold, of Berlin, in his article says he thinks Mr. Neefe has underestimated the overcrowding, as he denominates as overfilled only those tenements containing six and more persons in one room, where the tenement is of but one room, and ten and more in those of two rooms. Dr. Berthold considers that overcrowding is present when more than two persons use a room that can be heated, or more than one a room that can not be heated. Assuming that more than two persons to a room that can be heated is overcrowding, in 1880 there were 640,600 inhabitants living in overcrowded tenements. If, however, it be said that there must be four or more persons to a room to make it overcrowded, then were there 209,331 persons in overfilled rooms. In the first case, six and more to a room, the percentage in 1875 was 59.3 per cent. of the population living in overcrowded rooms against 58.5 in 1880; and in the second, four and more to a room, 19.4 in 1875, against 19.1 in 1880; showing a slight decrease in both cases.

Some effort has been made by benevolent organizations to provide good dwelling-houses for the laboring population, but not much success has been met with.

HAMBURG.

[The paper on Hamburg, from which I get the substance of what follows, is by Dr. G. Koch.]

In the last twenty or twenty-five years a great change has taken place in Hamburg in the matter of dwelling accommodations, owing to a great increase in the population of the place. The population of the city and the places connected with it is estimated to have been 212,000 persons in 1855, while it is now 518,620. The population of the city itself, according to the last national census of Germany, taken in 1885, was 305,690, against 289,859 in 1880. Its population in 1866 was 214,174.

The growth of the city is considered to have been largely brought about by the gravitation to Hamburg of outsiders, whose drift thither was favored by the introduction of the so-called Gewerbefreiheit (abolition of the old guild system) in 1864, and the repeal, in the same year, of the law requiring everybody who bought ground in the city, did business, or married there to become a citizen of the place, which was rather an expensive affair. The greater part of the increase is said to be due to the flocking of the working classes to the city, who have been attracted thither by good wages and other considerations.

At first the rapid growth of Hamburg in population gave rise to a dearth of dwelling places, especially for the laboring people, and for quite a time the lack of them proved a very serious question to them. The want has since, in a measure, been provided for, but not entirely.

Hemmed in by ditch and wall, Hamburg, like the great body of all the other cities of Germany, was limited in room for expansion, and was forced to keep its streets narrow and make use of every available parcel of ground. Inside the town-walls all existing garden plats and open spaces were greedily seized and built upon as the town began to flourish under the benign influence of the nineteenth century. Many old houses were torn down, and larger ones, to hold a greater number of human beings, made to occupy their places.

Before the city-walls lay small villages, to which the cramped inhabitants of Hamburg might have sped for plenty of room had it not been rendered disagreeable by the system, then prevailing, of carefully and laboriously locking every night the gates of the large cities at early hours, especially in winter, and refusing admission to late comers. They were not availed of to any extent until after 1861, in which year the time-honored practice of locking up a whole city was given up, when the pent-up town rushed to them for a freer and more spacious living. The old town then continued in population pretty much what it was, but the former small villages before the walls, now known as suburbs or parts of Hamburg, grew in population from 59,506 and 42,438, respectively, in 1866, to 133,288 and 154,594 in 1884.

The population thus increased rapidly, but the supply of quarters for the people did not keep pace with the growth of population. It is estimated that in 1866 there were 63,500 gelasse* in Hamburg, including places used for industrial purposes, of which 2,636, or 4.15 per cent., stood empty, which number has gradually risen from 1866 to 1884 as follows:

In December—	Total No. gelasse.	No. empty.	Per cent. to total gelasse.	In December—	Total No. gelasse.	No. empty.	Per cent. to total gelasse.
1866	63,500	2,636	4.15	1876	88,707	2,780	3.13
1867	64,408	1,749	2.72	1877	93,695	4,722	5.04
1868	66,900	1,855	2.77	1878	98,694	5,700	5.78
1869	69,000	2,506	3.63	1879	102,885	6,692	6.50
1870	71,000	2,307	3.3	1880	106,470	7,296	6.85
1871	72,800	1,256	1.72	1881	109,658	7,756	7.07
1872	74,500	710	.95	1882	112,536	7,784	6.92
1873	76,383	731	.96	1883	112,721	5,529	4.91
1874	80,674	1,058	1.31	1884	118,076	3,915	3.46
1875	84,438	1,485	1.76				

NOTE.—The figures up to 1873 are estimated, with the exception of those for 1867.

The increase was principally in medium-sized and dear dwellings. Small tenements showed a much slighter increase, while the cheapest dwellings experienced even a decrease, as appears from the following exhibit:

Rent.	In December of—		
	1873.	1878.	1883.
Up to $37	15,637	8,963	9,081
From $37 to $52	11,444	14,574	19,436
From $52 to $67	7,577	11,587	14,764
From $67 to $90	5,251	9,985	12,064
Over $90	34,643	51,183	54,424
Total	74,552	96,292	109,769

The population of Hamburg ran from 100 in 1873 to 119 in 1878 and 140 in 1883; but the number of tenements to be had for $50 a year decreased from 1873 to 1878 from 100 to 87, and rose from 1878 to 1883 from 87 to 105, while dwellings for $50 to $70 a year increased from 100 to 195 in the same period of time, apartments for $70 to $90

* By gelasse is meant every room or number of rooms separately rented for store, dwelling, or other purposes.

from 100 to 215, and those above $90 a year from 100 in 1873 to 157 in 1883. This relation would be all right had a corresponding change in incomes of the different classes of tenants occurred, but no such improvement took place. Nearly two-thirds of the increase in the population of Hamburg is said to be due to immigration from the country, etc. This immigration was largely of people of little means, who came to the city for work or for the purpose of getting a living more easily than they could at home. This is evident from the statistics of the city, which show that the number of tax-payers rose from 100 in 1867 to 228 in 1882, but that while the number of persons paying an income tax upon an income of less than $300 a year rose from 100 in 1867 to 266 in 1882, those paying on incomes exceeding $300 went from 100 in 1867 to only 177 in 1882.

For the better classes of people houses have been put up even to an excess of demand, while of small dwellings there was not a sufficiency erected. In these, from 1875 to 1883, the following increase took place:

Rent paid.	1875.	1879.	1883.
Up to $90	1.18	6.15	8.92
From $90 to $165	1.96	8.24	6.62
From $135 to $315	2.54	7.16	6.89
Over $315	3.03	4.12	3.82

Why were not the small buildings put up? Simply because they do not pay and because there is too much trouble connected with the collection of their rents. The price of ground, too, often plays an important part, being too high in price for workingmen's dwellings. The police regulations also governing the construction of houses are said to make dwellings for the working-people dear on account of the requirements and restrictions they impose.

The houses used by the poor are said to be found in all parts of the city and its suburbs. In the narrow and unfrequented streets their dwellings face the street oftentimes, while in the busy and frequented parts of the city they are back in the courts and yards, which are often of great depth. In some parts of the towns these courts swarm with life and teem with character. In some streets there are ten to thirty of these courts close together, mostly narrow, and built up on one side only. Sometimes they pass from one street to the next parallel street and form a passage-way. Their width is very limited, especially in proportion to the height of the houses, which are 2 to 3 meters (6½ to 9¾ feet) wide, with 4 to 5 floors. The narrowness of the building lots upon which these houses stand, running generally from 6 to 8 meters (19½ to 26 feet) in depth, forced them to be built with a great economy of space, so that in many instances they have only three or four windows in front, so far as they are not old houses with the gable sides towards the street, with a multitude of windows.

These places in the most of cases are separated from the entrances to the outer buildings and are entered by an exceedingly narrow passage-way, which is often so small and so low that but one person can pass through at a time, and then only in a stooping posture. The entrance of wagons, of hand-carts even, is an impossibility. In some instances the owners of neighboring courts have, by common consent, converted the separated courts into a common one. In such cases the courts are more airy and more sunny, so much so that trees

are sometimes met with in them. Such courts, however, are exceptions. As a rule they are insufficiently supplied with light and air.

In 1865 an effort was made to check the building up of courts with such reckless disregard to health and comfort, and a law was enacted that the entrances to them must be through the outer buildings, the passage-ways 2.3 meters (7.5 feet) wide and 2.8 meters (9.1 feet) high, the space for light 3.5 meters (11.5 feet) in width, with 6 meters (19.7 feet) for two courts adjoining each other. The buildings to these courts, when the courts have a width of 3.5 meters (11.5 feet), were not to be more than four stories in height, with an inside depth of 2.5 meters (8.2 feet) and not to be more than five stories high when the width of court was 6 meters (19 feet). The ground floor or first story was not to be more than 1 meter (3.28 feet) above the court pavement. Builders soon got around the law, however, and managed to put up, on both sides of a court, buildings 12 meters (39 feet) high with a court width of only 3.5 meters (11.5 feet). Deep into the ground they ran them, and constructed them in such a way that one such court would have a tenancy of several hundred souls. In some of them more than three hundred persons are said to live.

Then another law was passed in 1882 of a sharper character, rendering more difficult the erection of court tenement houses and of cheap dwelling houses in general.

The old law was that upon streets having a width of less than 6 meters (19.7 feet) buildings up to 12 meters (39 feet) in height could be erected, and upon those of greater width this limit could be exceeded up to 6 meters (19.7 feet). This is still the rule.

The stairways when serving for more than six houses must now be of stone, and one stairway can not be used for more than twelve buildings. The stairway of all tenement houses must be at least 1.15 meters (3.8 feet) wide, and are required to be lighted on the side or from the roof.

Only the five lowest stories of a building, exclusive of the cellar, can be used for work or habitation. Every room, including cellars, must have a height of at least 2.5 meters (8⅓ feet). Every room used to live, work, or sleep in must have at least one window. Before each house wall containing such a window, not on the street, a free space one-third of the height of the wall must exist, excepting in the cases of kitchen windows opening into courts of at least 20 square meters (215 square feet) and windows to rooms 3.5 meters (11½ feet) high, when proper measures are taken for otherwise supplying them with light and air. For back buildings the rule is that when all the windows of more than two buildings are in the back of the buildings the buildings are not to be more than four stories high and to have no basement or cellar dwellings; the width of the court or yard is to be two-thirds of the height of the buildings, or at least 3.5 meters (11½ feet); and each court is to have an entrance or passage-way from the street at least 3 meters (9⅞ feet) wide and 4 meters (13 feet) high. Basements or cellars can be lived in only when they are in houses fronting streets with sewerage, and their ceilings and the tops of their windows must be at least 1 meter (3.28 feet) above the surface of the adjoining street if the cellar is not separated from the earth the entire height and length of its walls.

But the effect of the law has been, it is said, to discourage the erection of buildings for the working people, as its provisions have made their construction more costly and unprofitable. The arrangements

for the entrance of Hamburg into the German customs union have, too, lessened the number of dwellings for the poor, as five hundred houses in which these people were living were demolished in 1883 and 1884 to make way for customs buildings, etc. These five hundred houses, mostly of the most ordinary and cheapest description, were inhabited by 16,000 people—just think of it!—or on an average of 300 to a house, who were compelled to seek new quarters. Further similar structures have since been leveled to the dust in consequence of the needs of the future imperial custom-house, and pressed the poor still more together.

A little something has been done to improve the conditions under which the poor live, but not much, and Dr. Koch speaks of only three instances of such efforts on any scale, apart from small undertakings:

(1) In 1866, two owners of real estate at Hamburg, who had obtained possession of a large part of the so-called Gängeviertel*, in the heart of the town, began to raze numerous old buildings to the ground and build up in their stead, on newly laid-out streets, large modern structures, of expensive character. As it was not possible for a part of the creatures who were driven away from their old rat-traps to find cheap and suitable dwelling-places elsewhere, a company was formed for the purpose of putting up large tenement houses to supply the pressing need existing at the time among the poor. In one of the suburbs of the city they erected houses to accommodate about 400 families, of 1,800 members, but have since done nothing more in that direction.

(2) In 1873, in Berlin and other large cities of the Empire, including Hamburg, a great dearth of dwelling-places for the poor became apparent. The demand for small and cheap dwellings became greater than the supply, and in Hamburg so great was the want, that in May of that year, on the general moving day, there were 30 families which were obliged to camp out in the open street, through sheer inability to get places to dwell in, which they had sought with much effort to obtain. The police were obliged to provide places for them in public buildings, and the matter led the senate of the city to make an investigation into the extent and cause of such an occurrence, with a view to its future avoidance. Such a thing had never before been known in Hamburg, and naturally excited public comment. The result was that provision was made by the city's legislators for the letting of certain parcels of land belonging to the city, and situated in various parts of it, amounting in the aggregate to 72,160 square meters (17⅘ acres), for thirty years, on reasonable terms, with the distinct understanding that cheap tenements for the working people should be put up on them, and that the buildings at the expiration of the time for which leased should revert to the city. But this action did not have the expected and desired effect; speculators saw no reason to build houses for reversion to the city in twenty or thirty years.

(3) In 1878 a company was formed with a view to erect cheap houses for the poorer classes, which should be sold to them on long time and on easy terms, and return a profit of but 4 per cent. a year. The capital stock was fixed at 360,000 marks (about $90,0 0). A large tract of ground consisting of over 74,000 square meters (18⅗ acres) was

*By Gängeviertel is meant large areas with tenement houses of the meanest description and narrowest passage-ways.

given to the company by the city at 50 pfennigs (about 12½ cents) a square meter (10.75 square feet), in a healthy locality near the city, on the left bank of the Elbe, not far from the railroad bridge. Each house was to embrace but one dwelling, and to cost, with garden, 3,000 marks (about $750). Each house contains one living-room and three chambers, and in addition a kitchen and cellar; and the garden is about 300 square meters (3,225 square feet) in size. The rent was put at 160 marks ($40) a year at the highest, so that a profit of 5 per cent. would be made upon expenditures, but a dividend of only 4 per cent. a year be declared upon the capital. The occupants of the houses were given the right to purchase them by monthly payments, not to be less than 6 marks ($1.50) a month, and to have the title conveyed when the payments reached 1,200 marks ($300), notes to be given for the remainder bearing 4½ per cent. on the first 1,000 marks ($250) and 5 per cent. on the rest. The conveyance was made with the express stipulation that no building changes or erections were to be made on the premises without consent of the conveying company, nor any subtenancy made or public house kept. In 1884 some 194 houses had been erected, at a cost of 631,900 marks ($157,975), including a bath-house and a school building, whose total cost was 7,000 marks ($1,750). In 1881 the company paid a dividend of 2 per cent., in 1883 of 3, and 1884 one of 4. But it was not the regular workingman who got the benefit of this enterprise. The houses were originally intended to be built especially for the working people, but the renters and purchasers have come to be clerks, bookkeepers, railroad and state employés, and the like, of limited means and small incomes, desiring homes for themselves and their families, the majority of whom have already made large payments on them.

The clerk and the salesman can be provided for, but what is known as the workingman must be content to take things as he finds them, and put up with anything that affords a shelter to himself and family. The conditions of life seem to make it impossible to put and keep him in a house of which he shall be the sole occupant, and can call his castle; and it is thought that he can be provided for only on the tenement system, in houses of four to five stories with two families to each story.

Under the new arrangement by which Hamburg enters the German customs union, it is thought that large numbers of workingmen will be attracted to that place by the impetus that will thereby be given to industry. Already lacking in accommodations for such people, the want will become all the greater, and it is feared that there will be, not a famine for bread nor a thirst for water in that city, but an analogous scarcity of homes for the workingmen.

BRESLAU.

The article on Breslau, from which the substance of what follows is taken, is by Mr. Paul Honigmann, an attorney at law there.]

Breslau, another one of the old towns of Germany, still maintaining in part its mediæval character, has grown very much under the impulses of the present century, and developed into one of the large cities of the Empire. During the first fifty years of the century it ran up from 60,000 to 120,000 inhabitants, and at the beginning of 1886 contained 299,852 souls. This American-like increase of population at Breslau is due, for the most part, to the press of outsiders

to the city, as is evident from the enumeration of the city taken December 1, 1880, which showed that of 272,912 persons then living at Breslau only 117,530 were born there. Of this population about 80,000 are estimated to have belonged to what may be termed the laboring population, exclusive of 17,000 servants, 70 per cent. of whom are thought to have been of the male sex and 30 of the female. It is the homes of these people that we are now to consider.

Breslau lies on a low plain on both banks of the Oder, and on five islands formed by this river. It was at first a Slavic settlement on the right bank of the river, which afterwards extended itself over to the left. During the Mongolian incursions of the thirteenth century the settlement got burned to the ground, and German colonists were then introduced and planted on the left bank of the Oder, who built up a town of imposing appearance. The large "ring," as it is called, forms the central part of this old town, wherein four leading streets cross one another, of which two run from south to north to the Oder, and the other two from east to west parallel with that stream. This oldest precinct is an inclosed square, for the most part, regular in appearance, composed of wide, straight streets cutting one another at right angles, and is bounded on the north by the Oder, and on the three other sides by a conducted off arm of the Oder, the Ohle. The "Old Town" was, in 1326, combined with the adjoining "New Town," and both together surrounded with strong walls of defense and moats, which in the succeeding centuries were further extended as the town grew. In the new parts compact quarters sprung up, penetrated by narrow, winding, twisting, alley-like streets. Thus reposed the town at the opening of the present century, when it was awakened to new life and active growth by the spirit of the new times. The old walls were demolished and pleasant promenades laid out on their sites, but the old moats remained, and to-day the promenades are still picturesquely skirted by the old moats, and to old Breslau five suburban towns have been added.

In 1838 Breslau had 3,912 houses, with a population of 88,869 persons, or, on an average, 22.72 inhabitants to a house; in 1864 the number of houses was 5,990, and the population 156,644, or 26.15 inmates to a house; while in 1885 there were 6,116 lots with inhabited structures on them, with a population of 299,600, or 49 persons to each piece of inhabited ground. This shows closer living together.

There were in 1880, according to statistics, 6,226 lots of ground in Breslau having buildings upon them, whose number amounted to 10,578, of which 8,226 were inhabited; and on an average there were 1.34 inhabited buildings to each lot of ground. In that year 60 per cent. of the lots, 3,753 of them, are said to have had one house upon them; 24 per cent., 1,476, two houses; 16 per cent., or 997, three or more houses. Of these houses, 2,037, or one-third of them, contained less than 6 tenements; 1,673, or one-fourth, had from 6 to 10 tenements; and 1,305, or two-fifths, held more than 10 tenements. The last kind have increased the strongest since 1875.

According to the census of December 1, 1880, there were on that day in Breslau 60,615 inhabited tenements, with 260,582 inhabitants, or an average of 4.30 persons to a tenement, which was also the average for 1885. The tenements having windows fronting the street amounted to 36,375, with 163,447 inhabitants, those not having any window overlooking the street to 24,240, with 97,135 inhabitants. Tenements having a window on the street amount to three-fifths of

all the tenements, the back or court-yard tenements consequently to two-fifths. The most of the houses in Breslau are four stories high, there being 2,715 of these, 1,625 of three-story houses, and 1,616 of five-story ones in 1880. Of those two stories high there were 1,477, and of one-story ones only 728. There were 65 houses given as six stories high or higher, and 1,088 provided with cellar tenements. The most of the dwellings are in the second story, 29 per cent. of all belonging to this category, 22 per cent. to third stories, 19 per cent. to fourth stories, and 13 per cent. to the ground floor. There were 11 per cent. of them situated in the fifth story or higher, 4 per cent. in cellars, and 2 per cent. in garrets. The most of the cellar tenements face the street, the most of the garret ones overlook court-yards.

By the following table it will be seen how the different kinds of tenements changed in number from 1875 to 1880, and what number of inhabitants they respectively held:

	Tenements.				Inhabitants.			
	1875.	1880.	Number.	Per cent.	1875.	1880.	Number.	Per cent.
Cellar	2,611	2,492	— 119	— 4.5	10,607	10,010	— 597	— 6.2
Ground floor	10,542	8,013	—2,529	— 24	45,044	38,466	— 1,578	— 35.6
Second story	13,390	16,888	+3,498	+ 26.3	59,336	73,999	+14,663	+ 22.2
Third story	12,272	13,449	+1,177	+ 9.6	52,787	58,266	+ 5,481	+ 10.4
Fourth story	9,738	11,360	+1,622	+ 16.6	41,581	49,454	+ 873	+ 19.2
Fifth story and higher	4,555	7,407	+2,852	+ 62.8	17,833	28,791	+10,959	+ 62.5
In different stories	224	1,006	+ 782	+357.1	2,026	6,596	+ 4,570	+247.5
Total	53,332	60,615	+7,282	+ 13.7	229,213	260,582	+31,369	+ 13.7

+Increase. —Decrease.

A slight decrease, it appears, took place in the cellar tenements and their inhabitants, but 10,000 persons were still living underground in Breslau. Tenements in the ground floor decreased 24 per cent.

A good many tenements, more than one-sixth of the whole number, were used to work in as well as to live in, as is shown by the following table, which contrasts the year 1875 with 1880:

	Of 1,000 front tenements.		Of 1,000 back tenements.	
	Industrially used.	Not industrially used.	Industrially used.	Not industrially used.
Cellar	403	597	89	911
Ground floor	292	708	148	852
Second story	130	870	107	893
Third story	95	905	114	886
Fourth story	88	912	116	884
Fifth story	92	908	68	932
Garret	112	888	60	940
In different stories	451	549	443	557
Total 1880	147	853	114	886
Total 1875	129	871	102	898

According to the statistics of 1880 the number of heatable rooms to each tenement, and the number of inhabitants per tenement, was as follows:

No. of heatable rooms.	Tenements inhabited.				No. of heatable rooms.	Tenements inhabited.			
	1875.		1880.			1875.		1880.	
	No.	Rate.	No.	Rate.		No.	Rate.	No.	Rate.
0	337	6	1,165	4	7	340	6	2,529	10
1	35,768	590	137,208	527	8	155	2	1,303	5
2	13,172	217	58,062	223	9	92	1	769	3
3	6,113	101	30,667	117	10	58	1	468	2
4	2,282	38	13,062	50	11	101	2	1,010	4
5	1,467	24	9,301	36					
6	730	12	4,978	19	Total	60,615	1,000	260,582	1,000

Kitchens are not included in the enumeration, nor rooms without windows. Formerly kitchens used to be counted in as rooms that could be heated, and no comparison therefore can be made with previous statistics on this point.

The small tenements made up of but three rooms that could be heated comprised four-fifths of all the tenements, and held three-fourths of all the people of Breslau. There are a number of dwellings which have no room which can be heated and must depend for warmth upon the kitchen.

The following table shows the situation of the different tenements, and also to what extent used for industrial purposes.

Number of rooms per tenement that could be heated.	Front tenements.		Rear tenements.		Tenements used to work in.		Tenements not used to work in.		Cellar.	
	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.
0	151	4	186	8	33	4	304	6	21	9
1	16,625	157	19,143	790	3,719	4,580	32,049	611	2,006	808
2	8,993	247	4,379	172	2,455	303	10,717	204	423	170
3	5,613	154	500	21	958	118	5,155	98	42	19
4	2,173	60	109	5	427	53	1,855	35	3	1
5	1,409	39	58	2	251	31	1,216	23	1	.....
5 and over	7,731	39	55	2	270	33	1,196	23	2	.....
Total	42,695	.....	24,430	.....	8,113	.....	52,502	.....	2,493	.....

Number of rooms per tenement that could be heated.	Ground floor.		Second story.		Third story.		Fourth story.		Fifth story.		Different stories.	
	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.	Total.	Rate per 1,000.
0	56	7	74	4	70	5	45	4	71	9	1	1
1	5,077	633	8,959	530	7,304	548	6,261	551	6,040	816	139	138
2	1,623	203	3,985	236	2,968	221	2,799	246	1,169	158	205	204
3	702	88	2,044	121	1,697	126	1,347	119	98	13	188	182
4	295	37	764	45	596	44	469	41	19	3	136	135
5	153	19	529	31	424	31	260	23	10	1	90	89
5 and over	110	13	543	33	390	30	176	15	2	.....	252	251
Total	8,016	.....	16,898	.....	13,449	.....	11,357	.....	7,409	.....	1,006	.....

Of the cellar tenements more than four-fifths have but one room that can be heated, and almost one-fifth but two rooms that can be

heated. So it is also with the fifth-story tenements. In the high stories the tenements are generally pretty small. The average size of the different kinds of tenements can be seen from the following table:

	Rooms to each tenement.			Number of inmates to—	
	Heatable.	Not heatable.	Altogether.	Each tenement.	Each heatable room.
Total tenements:					
Altogether	1.78	0.28	2.05	4.30	2.42
Used to work in	2.08	0.46	2.49	4.75	2.34
Not worked in	1.74	0.25	1.99	4.23	2.84
Front tenements:					
Altogether	2.13	0.30	2.42	4.49	2.11
Used to work in	2.32	0.48	2.79	4.88	2.10
Not worked in	2.10	0.26	2.36	4.48	2.11
Back tenements:					
Altogether	2.34	0.25	1.50	4.01	3.22
Used to work in	2.08	0.23	1.44	4.49	3.05
Not worked in	1.74	0.25	1.50	3.95	3.25
Tenements in the—					
Cellar	1.20	0.26	1.46	4.02	2.34
Ground floor	1.64	0.33	1.97	4.18	2.55
Second story	1.98	0.33	2.25	4.38	2.28
Third story	1.90	0.28	2.18	4.33	2.28
Fourth story	1.78	0.22	2.01	4.35	2.44
Fifth story	1.20	0.13	1.33	3.94	3.27
Garret	1.11	0.21	1.32	3.56	3.20
Different stories	4.38	0.67	5.05	6.56	1.50

Kitchens, pantries, bath-rooms, cellars, and the like are not enumerated.

The small tenements are much more thickly inhabited than the large ones, and the back tenements more so than those on the street, while the tenements in the fifth and higher stories show a greater number of occupants than those from the ground floor to the fourth story, as is to be gathered from the following table:

Number of heatable rooms to tenement.	Inmates per tenement.	Inmates per room.	Tenements used to work in, per tenement.	Tenements not used to work in, per tenement.	Tenements used to work in, per tenement.	Tenements not used to work in, per tenement.	Front tenements.		Back tenements.	
							Per tenement.	Per room.	Per tenement.	Per room.
0	3.46	.....	3.82	.....	3.41	.....	3.82	.....	3.11	.....
1	3.84	3.84	4.06	4.06	3.80	3.80	3.90	3.90	3.78	3.78
2	4.41	2.20	4.75	2.38	4.33	2.16	4.26	2.13	4.71	2.36
3	5.02	1.67	5.54	1.85	4.94	1.57	4.95	1.65	5.78	1.93
4	5.74	1.43	5.98	1.49	5.67	1.42	5.69	1.49	6.24	1.59
5	6.34	1.27	6.55	1.31	6.30	1.26	6.32	1.23	6.54	1.31
6	6.82	1.14	6.75	1.12	6.84	1.14	6.80	1.13	7.27	1.21
7	7.44	1.06	7.66	1.09	7.39	1.06	7.45	1.06	7.00	1.00
8	8.41	1.05	11.28	1.41	7.85	0.98	8.36	1.05	9.00	1.01
9	8.86	0.98	9.37	1.04	8.10	0.90	7.97	0.89	17.00	1.90
10	8.07	0.81	6.43	0.64	8.60	0.86	7.91	0.79	17.00	1.70
11 and more	10.00	0.77	9.20	0.71	10.26	0.80	10.04	0.77	9.00	0.71

In the tenements of but one room there are about 4 persons per room. The number of persons to a room is greater in the small tenements where work is carried on than in the others. The very worst kind of tenements are the most densely populated.

There were 281 tenements consisting of but 1 room which could not be heated, 30 of which were worked in as well as dwelt in. Some

of these had 5 to 9 persons living in them, and even 10, 12, and 13.

There were 56 tenements of 2 or more rooms that could not be heated, 38 of which had over 4 inhabitants, and 25 upwards of 5 each.

There were 26,049 tenements that consisted simply of 1 room which could be heated (2,001 among them used to work in), 5,590, or 21 per cent., of which had 3 inhabitants each, 4,913, or 19 per cent., 4 inhabitants each, 3,528, or 13 per cent., 5 inhabitants each, 2,200, or 8.4 per cent., 6 inhabitants each, 1,915, or 7.7 per cent., from 7 to 10 inhabitants, and 30, or 1.1 per cent., over 10 inhabitants.

There were 9,373 tenements consisting of 1 room that could be heated, and of 1 that could not be heated (among them 1,589 used to work in), of which 1,064, or one-ninth of them all, had each 6 inhabitants, 1,403, or more than one-sixth, from 7 to 10 inhabitants, and 39 more than 10 inhabitants, etc.

Considering that all those tenements in which there are more than two persons to each room that can be heated are overcrowded, we find of the 49,277 small tenements in Breslau in 1880 that 31,686, or precisely two-thirds, were overfilled, and in these 31,686 small tenements lived 150,000 individuals, or more than two-thirds of the entire population of Breslau.

The number of tenements rented in Breslau in 1880 amounted to 54,578, of which 9,742, or 18 per cent., were sublet. The average rents were as follows, per tenement, per room, and per inmate:

	Average rent—		
	Per heatable room.	Per tenement.	Per inhabitant.
Inhabited by owners	$51.50	$169.50	$29.00
Rented tenements	41.75	70.50	16.75
Front tenements	45.50	91.50	21.75
Back tenements	32.75	39.75	10.50
Tenements used industrially	54.25	108.00	24.25
Not industrially used	39.25	64.50	16.00
Tenements with subtenants	44.75	74.00	.....
Without subtenants	42.25	69.75	17.25
Tenements—			
In the cellar	32.75	39.00	.....
On ground floor	44.50	70.25	.....
In second story	44.50	79.50	.....
In third story	43.25	79.25	.....
In fourth story	38.25	67.50	.....
In fifth and higher	29.25	35.25	.....
In garrets	26.75	29.50	.....
In different stories	71.00	258.75	.....

Maximum and minimum averages for 157 town precincts show the following results:

	Average rent per tenement.		Average rent per inmate.	
	Max.	Min.	Max.	Min.
Front tenements	$320.25	$27.75	$66.00	$6.25
Back tenements	86.75	21.00	21.25	5.00
Tenements industrially used	327.50	21.00	68.00	10.25
Not industrially used	255.00	22.50	58.50	5.00
Average for all kinds	249.50	24.50	56.50	5.75

In what proportion the different classes of tenements are to be met with in the cheap, medium-priced, and dear dwellings is set forth by the following table:

Category.	Annual rent per 1,000 tenements.						
	Up to $25.	$25 to $62.	$62 to $125.	$125 to $187.	$187 to $250.	$250 to $500.	Over $500.
I.—Occupied by owners	294		281	239		186	
II.—Occupied by servants or let free	809		113	64		14	
III.—Occupied by tenants:							
All together	175	536	156	65	27	34	7
Front tenements	124	449	215	102	43	56	11
Rear tenements	249	661	70	13	5	2	.....
Used to work in	66	458	242	99	51	64	20
Not used to work in	192	548	142	60	24	30	4
Cellar tenements	330	535	123	8	4	.....	.....
Ground floor	260	438	156	67	38	37	4
Second story	147	516	175	76	30	48	8
Third story	116	586	180	83	31	47	8
Fourth story	114	571	185	76	31	23	.....
Fifth story and higher	281	669	42	5	2	1	.....
Garret	508	461	28	2	.....	1	.....
In different stories	58	174	183	161	110	188	126

Of all the tenements rented, 9,502, or one-sixth, brought less than $25; 29,260, or more than one-half, from $25 to $62; 8,509, or more than one-sixth, from $62 to $125. It thus appears that seven-eighths of the rented tenements brought not more than $125, and only 7,306, or one-eighth, above $125 a year. The most of the very cheap tenements were in the garret; the fifth story had most of those from $25 to $62; the fourth story the most of those from $62 to $125; the third story the most of those from $125 to $187; the ground floor the most of those from $187 to $250; and the second story the most of those above $250.

From 1875 to 1880 the tenements commanding less than $62 increased from 673 to 711 in each 1,000 tenements, while those higher in price decreased, namely, those bringing from $62 to $125, from 181 to 156; those bringing from $125 to $250, from 97 to 92; and those above $250, from 49 to 41.

The following calculation shows the percentage of rent paid according to income by various classes of persons:

Amount of income.	Per cent. of income paid for rent.				
	Generally.	When from interests and rents.	In the case of salaries and pensions.	In the case of wages.	In the case of merchants and business men.
Up to $150	28.69	33.15	28.00	28.64	30.77
$150 to $300	21.02	28.05	18.52	21.55	23.52
300 to 450	20.77	26.21	17.43	22.77	22.19
450 to 600	19.08	23.80	16.88	21.85	22.20
600 to 750	19.69	21.99	16.57	22.38	23.18
750 to 900	19.88	21.58	16.25	22.38	21.97
900 to 1,200	18.33	19.37	15.88	21.61	18.97
1,200 to 1,500	18.30	18.03	16.40	20.17	19.16
1,500 to 3,000	13.69	14.13	15.38	15.63	16.34
3,000 to 7,500	8.94	10.25	13.91	9.70	10.57
7,500 to 15,000	3.56	5.29	6.64	6.59	5.32
Over $15,000	3.39				
Average	19.18	15.50	16.80	23.75	18.35

The poorest people, according to this table, paid out about one-third of their income for rent, the richest only one-thirtieth of theirs. On the average the amount of rent paid is reckoned to be one-fifth of the income. But it must be borne in mind that this average is only for the people of moderate means, as two-thirds of the entire population of Breslau are said to have an income not exceeding $150 a year. The tax lists, however, I am inclined to think, do not always show the full incomes.

With respect to moving, it may be said that it is done much less by people of fair means than by the poor.

Parties ousted often have difficulty in procuring another place of lodgment. To remedy this evil an asylum for such persons was established in 1871, which in 1872 was frequented in 16,207 cases, in 1873 in 10,788 cases,* since which time the figures have been declining, as there has been a greater abundance of tenements. The asylum is intended chiefly for women and children, though men are afforded shelter by it in exceptional cases. Connected with the asylum is a bathing establishment and in winter a people's kitchen. Shelter, food, and care is given gratuitously. In addition to this asylum there is a night lodging-house for vagrants, administered by the police. The following table shows the number of persons taken into these asylums from 1877 to 1885, and the number of arrests made at night by the police during this period :

Year.	Police asylum.	Private asylum.	Arrests by night watchmen.	Total.	Per cent. to population.	Average a night.
1877	8,901	6,697	1,690	17,288	6.8	47.3
1878	9,195	6,695	1,888	17,778	6.8	48.7
1879	9,386	5,933	1,618	16,937	6.3	46.4
1880	8,274	8,041	1, 55	18,170	6.6	49.7
1881	9,502	9,346	1,677	20,585	7.4	56.4
1882	11,096	9,956	1,808	22,860	8.0	62.6
1883	13,280	10,967	2,008	25,335	8.7	69.4
1884	15,211	10,794	2,437	28,442	9.7	77.9
1885	16,609	11,054	3,244	30,907	10.3	84.6

Very little has been done in Breslau to provide the poor with cheap and good tenements.

The mortality of Breslau from 1876 to 1885 was as follows :

Year.	Per 1,000.	Year.	Per 1,000.
1876	33	1881	32
1877	30	1882	32
1878	32	1883	31
1879	31	1884	32
1880	33	1885	30

LEIPSIC.

[The paper on Leipsic, from which I get the substance of what follows, is by Dr. Ernst Hasse.]

There are too few small dwelling-houses in Leipsic for the working people. The present tenements occupied by these people are entirely too dear in rent, miserable in character, and too full of inhab-

* The reckoning, as I understand it, is done by the night, each night by one person being put down as one case of relief.

itants; but the poor people of Leipsic have to be contented with whatever they can get. In the most of cases they have to forego the enjoyment of a whole tenement to themselves, and have to either rent parts of tenements or sleeping places from others or take in other families into theirs. This lack of appropriate tenements for the laboring population of the city has long existed, and may be said to be a chronic disorder. An improvement is taking place in the conditions under which the poor live, but the progress has not been a great one.

Leipsic is one of those cities where much poverty and close approach to poverty obtain, and we find there, in a marked degree, the lights and shadows of life well defined; and the place is one of the strongholds of social democracy. The city has always done much for the relief of the poor and unfortunate, and has thereby drawn unto itself many undesirable residents. A great many poor have got together there from central Germany, and live packed together in very inferior quarters.

The density of population to space occupied is thought to have been as great years ago as now; in fact more so, as Leipsic, like many other towns in Germany, was cramped in its growth in area by city walls. A hundred and two hundred years ago the houses of the city in the interior of the town were at least as densely occupied as at present, it is affirmed. Rents were also disproportionately high.

It seems that throughout Germany, with the close of the war of 1870–'71 with France and the establishment of the German Empire, a new and great impulse was given to commercial and industrial life in Germany, and all the leading towns received a great influx of newcomers, in which Leipsic has shared. From 1875 to 1885 the population of the city ran from 127,387 to 170,340, or a gain of 43,000.

October 20, 1885, there were in Leipsic 4,128 lots of ground with buildings on them. The number of tenements December 1, 1885, was 32,205, comprising 33,972 households, against 28,510 tenements on December 1, 1880, containing 29,448 households. October, 1885, there were 430 unoccupied tenements in Leipsic and 260 empty business places.

The following table shows the number of occupied tenements in 1880 and the number of unoccupied ones in 1885, classified according to rent commanded, and the percentage of each to the whole number of tenements; from which it will be seen that the rate of empty to occupied tenements is much less in the case of tenements commanding from $25 to $50 rent than in that of any other class:

Rental.	Occupied 1880.	Per cent.	Empty 1885.	Per cent.	Rental.	Occupied 1880.	Per cent.	Empty 1885.	Per cent.
Up to $25	1,334	4.68	19	4.42	$225 to $250	508	1.78	23	5.35
$25 to $50	6,200	21.74	55	12.79	$250 to $375	1,724	6.05	58	13.50
$50 to $75	5,880	20.63	43	10.00	$375 to $500	577	2.02	25	5.81
$75 to $100	3,489	12.24	25	5.81	$500 to $625	252	0.88	11	2.56
$100 to $125	3,055	10.72	47	10.93	$625 to $750	145	0.51	3	0.69
$125 to $150	2,251	7.89	39	9.07	$750 to $1,000	81	0.28	2	0.47
$150 to $175	958	3.36	31	7.21	Above $1,000	40	0.15	2	0.46
$175 to $200	1,047	3.67	26	6.05					
$200 to $225	969	3.40	21	4.88	Total	28,510	100.00	430	100.00

The figures of 1880 are used in the case of occupied tenements, because those of 1885 were not printed when the article before me was prepared. Those of 1885 would be pretty much the same any way.

Classified according to number of rooms that can be heated, the following exhibit of tenements is made by the statistics of December 1, 1885 :

Number of heatable rooms per tenement.	Occupied tenements.	Empty tenements.	Per cent. of empty to occupied.	Number of heatable rooms per tenement.	Occupied tenements.	Empty tenements.	Per cent. of empty to occupied.
0	31	5	16.12	4 rooms	3,616	76	2.10
1 with appurtenance	524	14	2.67	5 rooms	1,834	37	2.01
1 without appurtenance	7,708	100	1.29	6 rooms	1,098	37	3.46
2 rooms	8,529	81	0.94	7 rooms	653	25	3.82
3 rooms	7,044	112	1.59	8 and more rooms	1,073	38	3.54
					32,110	525	1.63

The statistics make it evident that far more small tenements could be used in Leipsic. Much more than one-half of the households of Leipsic are to be found in tenements whose annual rental is under $100 and which contain on the average less than three rooms that can be heated.

The average rent of a tenement in Leipsic in 1885 was $125, using in the calculation only those tenements which were being rented, and leaving out of consideration those let free or occupied by their owners. Of rented tenements there were 29,160, with 149,105 occupants, with a rent paid on the average for each room that could be heated of $45.50 a year, and of $24.57 per capita.

The rule in Leipsic, as elsewhere, is that the small tenements are relatively dearer in price than the large, and that the poor man, in comparison to his means, pays much more than the rich one.

The smaller mechanics, craftsmen, market assistants, etc., generally have a tenement containing two rooms and a kitchen with some store and cellar room, for which they pay from $45 to $50 a year. If overtaken by misfortune, or the wages become shortened, they let out one room, and also the kitchen, to night lodgers, from whom they get 37 to 50 cents a week. On this subject the poor guardians of Leipsic make statements as follows :

Rent of a room 7.75 square meters in size (82 square feet), with one window, 51 marks ($12.50) a year.

For a room with two windows, 21 square meters (226 square feet) in size, 75 marks ($19) a year.

One room, 80 marks ($20) a year.

One room, with bed-room, 120 marks ($30) a year, in a dark, narrow yard.

Average rent, 150 marks ($37) for small tenements. Cheaper tenements are mostly garret tenements, or have some defect.

The rents are always high, which is justified by the danger run by the letter. Under 120 to 150 marks ($30 to $37) a year are tenements seldom found.

The rent for a chamber with one window, or a very inferior room with a bad stove in it, is seldom less than 5 marks ($1.25) a month. Better small rooms rent for 72 to 90 marks ($18 to $22) a year. Small tenements of two rooms and a kitchen command at least 150 to 180 marks ($37 to $45) annually. When it is considered that these rooms are devoid of every convenience, even water, which is generally in the court-yard, and that nothing is ever done by the landlord to the tenement, the rent is a very high one.

How disproportionately high the rents are is shown by this example: A family consisting of five persons pays 120 marks ($30) for a single room in a court-yard. This court is inclosed by buildings four stories high, and is not more than 2 square meters (22 square feet) in size, so that it is necessary to burn a light even in the daytime.

On the average 50 to 60 marks ($12.50 to $15) a year rent are asked for one person, 80 to 90 marks ($20 to $22.50) for two persons, 120 to 130 marks ($30 to $32.50) for from 3 to 5 persons, and for larger families 200 marks ($50).

A tenement in the fifth story, somewhat damp, consisting of three rooms and a dark kitchen, costs 270 marks ($67.50) a year. A tenement of three front rooms, sleeping-room, small room, and kitchen, costs 560 marks ($140) a year. The three front rooms are let at 12, 15, 19 marks ($3, $3.75, and $4.75) a month to students and business men.

Nothing pays better, according to one of the guardians of the poor, than large tenement houses split up into small tenements: "For rooms from 6 to 8 square meters in size 6 to 7 marks ($1.50 to $1.75) a month are paid; for a small family tenement of two rooms and a kitchen 180 to 240 marks ($45 to $60) are paid."

The average rent in Leipsic per tenement has been said to have been $125 a year in 1885. The average rent per tenement according to location in the house was as follows:

In the cellar	$40.50
On the ground floor	130.00
On the intermediate floor	108.75
In the second story	139.00
In the third story	134.25
In the fourth story	115.50
In the fifth story	74.00
In the sixth story	55.75
In the seventh story or roof	50.50
In different stories	453.25
For whole house	1,539.25

The average rent, according to number of rooms and whether used to work in or not, was as follows:

In tenements with—	Not used to work in.	Used also to work in.	Total.
1 heatable room without side room	$24.50	$240.00	$32.00
1 heatable room, with side room	46.25	107.50	48.00
2 rooms that can be heated	38.00	89.25	40.50
3 rooms that can be heated	38.00	79.00	40.00
4 rooms that can be heated	41.75	64.00	44.00
5 rooms that can be heated	45.25	74.75	47.50
6 rooms that can be heated	49.50	74.25	51.75
7 rooms that can be heated	52.75	66.25	53.50
8 rooms and more that can be heated	59.50	76.00	62.75
Total average	43.25	77.50	45.50

Rents are advancing all the time, particularly in the center of the town. The average annual rent for the whole city of a room that could be heated was, as just seen, $45.50 in 1885, whereas in 1867 this average was only $33. In the four years from 1871 to 1875 rents rose 27 per cent., without any corresponding increase in the wages of the working people; and a general rise is bad for the working people when unaccompanied by an appropriate rise in wages. From 1875 to 1880 the rents declined 2 per cent., and from 1880 to 1885 they are understood to have been almost stationary, but since October, 1885, quite a rise is said to have occurred in them.

Rents at Leipsic are generally paid in advance. Among the poor some have to pay three months in advance, while others have only to do so one month ahead. This practice is a security to the landlord, but is a hardship to the poor, who with difficulty gather together the advance-rent money. It would be much better for them if they could pay every two weeks.

Debt for rent accrues much less, comparatively speaking, than would be supposed. This is understood to be due to the fact that, on account of the scarcity of places of abode, the poor fear that they would become perfectly houseless did they not pay their rent with punctuality, and, as a consequence, look out for the landlord first of all, and pawn their few possessions to meet his demands. To do this they sometimes find themselves in great straits. The prayer for assistance to pay rent, say the guardians of the poor, is more often heard among them than the supplication for bread to still hunger.

On December 1, 1885, according to statistics taken on that day, there were 32,110 tenements in Leipsic, of which 31, or .09 per cent., consisted of but one room that could not be heated; 524, or 1.6 per cent., of one room that could be heated, but without any appurtenance of any kind; 7,708, or 24 per cent., of one room that could be heated, with some appurtenance; 8,529, or 26.5 per cent., of two rooms that could be heated; 7,044, or 21.9 per cent., of three rooms that could be heated; 3,616, or 11.2 per cent., of four rooms that could be heated; 1,834, or 5.7 per cent., of five rooms that could be heated; 1,098, or 3.4 per cent., of six rooms that could be heated; 653, or 2 per cent., of seven rooms that could be heated; 1,073, or 3.3 per cent., of eight and more rooms that could be heated.

In preceding years the relative percentage was as follows:.

Tenements of—	1867.	1871.	1875.	1880.	1885.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
1 room that could not be heated	0.01	0.01	.....	0.05	0.09
1 heatable room without appurtenance	38.5	35.7	28.8	28.5	1.6
1 heatable room with appurtenance					24.0
2 heatable rooms	25.9	26.6	26.5	27.2	26.5
3 heatable rooms	14.9	16.2	18.8	19.9	21.9
4 heatable rooms	8.6	9.2	11.1	10.4	11.2
5 heatable rooms	5.0	5.0	5.4	5.2	5.7
6 heatable rooms	3.1	3.2	3.8	3.4	3.4
7 heatable rooms	1.6	1.7	1.9	1.9	2.0
8 and more heatable rooms	2.3	2.3	3.6	3.2	3.3

It appears from these figures that the tenements of one room that could be heated had decreased from 38.5 per cent. in 1837 to 25.6, while those of two rooms show an increase, and that consequently the poor of Leipsic were living with more room than formerly and were possessed of more means; but the contrary is alleged to be the case. The increase of population among the poor has been greater than among the rich, and the fact is that in the growth of the city from 1867 to 1885 the one-room tenements have not increased in the ratio that those of two rooms and upwards have.

In these 32,110 tenements on December 1, 1885, there were 165,075 inmates. Of these, the tenements of 1 room that could not be heated had 68, or 0.04 per cent.; those of one room that could be heated, without appurtenance, had 1,156, or 0.07 per cent., and so on, as follows:

Tenements of—	Total number.	Per cent.	Tenements of—	Total number.	Per cent.
1 room not heatable	68	0.04	5 heatable rooms	11,104	6.7
1 heatable room without appurtenance	1,136	0.07	6 heatable rooms	6,852	4.1
1 heatable room with appurtenance	30,440	18.4	7 heatable rooms	4,287	2.5
2 heatable rooms	43,504	26.3	8 and more heatable rooms	8,365	5.0
3 heatable rooms	38,551	23.3	Total number of household population	165,075	100
4 heatable rooms	20,796	12.5			

From 1867 to 1885 the relative per cent. was as follows:

Tenements of—	1867.	1871.	1875.	1880.	1885.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
1 room that could not be heated	0.02	0.08		0.02	0.04
1 heatable room without appurtenance	30.9	28.0	21.4	21.7	0.07
1 heatable room with appurtenance					18.4
2 heatable rooms	26.1	26.8	25.9	27.8	26.3
3 heatable rooms	16.6	18.0	20.1	21.4	23.3
4 heatable rooms	10.0	10.8	12.8	11.8	12.5
5 heatable rooms	6.4	6.2	6.6	6.3	6.7
6 heatable rooms	4.1	4.2	4.9	4.1	4.1
7 heatable rooms	2.1	2.3	2.6	2.6	2.5
8 and more heatable rooms	3.4	3.3	5.5	4.7	5.0

According to situation in the house the 32,110 tenements of December 1, 1885, are classified as follows:

Tenements.	Total.	Per cent.	Tenements.	Total.	Per cent.
In several stories	762	2.3	In the fourth story	6,646	20.6
Comprising a whole house	85	0.2	In the fifth story	4,082	12.7
In the cellar	532	1.6	In the sixth story	168	0.5
On the ground floor	4,835	15.0	In the seventh story or garret	130	0.4
In the intermediate story	119	0.3			
In the second story	7,347	22.5	Total number	32,110	100
In the third story	7,504	23.3			

One fact is very worthy of observation in the foregoing table, as expressive of the manner of living in Germany in the cities, and that is, that in all Leipsic at the time under consideration there were only 85 houses occupied in their entirety by but one family.

These 32,110 tenements, as said before, were occupied by 165,075 persons, distributed as follows, according to story:

Distribution.	No. of persons.	Per cent.	Distribution.	No. of persons.	Per cent.
In various stories	5,904	3.5	In the fourth story	35,013	21.2
Occupying a whole house	825	0.4	In the fifth story	22,690	13.7
In the cellar	2,278	1.3	In the sixth story	837	0.5
On the ground floor	22,901	13.8	In the seventh story or garret	583	0.3
In the intermediate story	617	0.3			
In the second story	36,143	21.8	Total number	165,075	100.00
In the third story	37,339	22.6			

The cellar, ground floor, intermediate floor, and the fifth story, and the higher tenements are occupied by the poor; first, second, and third floors more by the well-to-do. The cellars are villainous places to dwell in, on account of their menace to health. The most of the poor are represented to dwell in the cellars or in the garrets. The cellars generally have very good walls, but are frequently dark, damp, and cold, while the garret places are endurable, but at times very open to the wind.

With respect to light, it is to be said that in 1875 the windows of 43,086 rooms, or 45 per cent. of the whole number, opened into court-yards, and that 29,902 persons, or 24.6 per cent. of the entire population of Leipsic, lived in such rooms, with all the windows looking out upon court-yards. In 1880 there were 20,512 rooms thus situated,

occupied by 33,426 inmates, or 23 per cent. of the housekeeping population of Leipsic. For 1885 there are no statistics on the subject. One-fourth of the people of Leipsic have only back yards to look upon from their household rooms, while more than one-half of the population of the city have apartments that in part overlook court-yards. Only one-third of the inhabitants of Leipsic enjoy the privilege of dwelling in rooms which look out upon the street or upon gardens.

In regard to modern conveniences, the tenements of Leipsic in 1880, some 28,510 in number, were situated as follows:

Rooms that could be heated	28,494
Rooms that could not be heated	23,034
Rooms that could and could not be heated	23,034
Kitchens	25,682
Heated corridors	797
Bath-rooms	958
Cellars	22,629
Wash-rooms	2,247
Gardens	2,312
Gas	3,143
Water	20,208

For 1885 the statistics are not so given in detail.

To the poor are given over the inferior and deserted tenements, or shaky structures on waste ground generally erected for them. A great deal of complaint is made over the nature of the tenements dwelt in by them in the interior of the town, which are mostly old, rickety affairs, whose disjointed steps are often a danger to life and limb. In the new houses put up for the poor the privies are oftentimes placed right in the corridors, whence they emit an odor that distributes itself over the whole building, and contaminates all the air. The walls between tenements are in part entirely too thin.

The landlords of the poor make but few improvements, and do only that which is absolutely necessary. They let their houses alone until they almost fall down of themselves. The broken panes of glass and creaking windows are allowed to remain; the badly-drawing and smoking stove is let go on its wayward way; sewers and privies are permitted to remain in improper situations and conditions, to poison the air about them. The privies in the large tenements occupied by the poor seem generally to be a perfect nuisance. As a rule, a number of persons are limited to one, which is usually in a rear building or down in a court-yard. The landlords never repair anything, because they know that their tenants will hardly be able to better themselves.

It is a proverb among the guardians of the poor that the worse the tenements are the greater is the number of people in them. The writer of the article on Leipsic says that from this general verdict of the guardians of the poor he knows only one of them to dissent, and this man happens to be himself a landlord. This guardian says that the nature of the tenement is of no concern to the poor, as their forefathers have dwelt in the same lodgings, and still worse ones, and become old in them; it all depends upon who lives in them.

How compactly the poor of Leipsic live together is shown by this; that whereas in the large tenements there are only 73 persons on the average to every one hundred rooms that can be heated, in the smallest tenements there are 392 inmates to every one hundred rooms that can be heated. It is with pleasure to be said that in the last fifteen or sixteen years a slight decrease has taken place in the average number of persons in the very small tenements.

The number of inmates in the small tenements on December 1, 1885, was as follows:

Tenements with	Number of inhabitants per tenement.										
	1	2	3	4	5	6	7	8	9	10	11
No heatable room	15	6	5	2	2	.....	.....	1	.....	.....	.....
1 heatable room with appurtenance	282	125	80	43	18	12	12	2	.....	.....	.....
1 heatable room without appurtenance	555	1,499	1,597	1,437	1,048	709	431	228	111	46	24
2 heatable rooms	228	894	1,327	1,389	1,397	1,126	843	538	374	198	108

Tenements with	Number of inhabitants per tenement.											
	12	13	14	15	16	17	18	19	20	21	22	Total.
No heatable room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	31
1 heatable room with appurtenance	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	594
1 heatable room without appurtenance	14	5	3	1	.....	.....	.....	.....	.....	.....	.....	7,708
2 heatable rooms	61	26	15	6	3	2	1	1	1	.....	1	8,529

In nearly 900 cases one room with an appurtenance has been made to suffice for from 7 to 15 persons, and in 1,300 cases two rooms that could be heated have held from 8 to 22 occupants. These are noteworthy facts.

It is not always the poor, however, who thus dwell packed together. Under the flat system the servants of good families are sometimes compelled to herd together in the rooms under the roof.

The compactness with which the poor of Leipsic live together has, as can well be imagined, a very prejudicial effect upon health and morals. Men, women, and children live and sleep indiscriminately together in these abodes of evil. In 1,270 cases families possessing only one room that could be heated are known to have been obliged to share this with night lodgers. For instances of the evil effects of people living together in masses in this way there are an abundance given by the guardians of the poor of Leipsic, such as the following:

One family, consisting of a man, his wife, and two children, had only a room with one window—which did not even directly get light and air, but was in a corridor—and possessed but one bedstead without any bed.

Specially unfavorable conditions existed in some houses in Arndt and Koch streets. Each family living there had only one room, 9 feet 9 inches long, 6 feet and 6 inches wide, and 8 feet high, with at the most one dark chamber attached. Each kitchen and privy was used by five families. In the half of one story there was a a tenement holding five families, containing 22 to 30 members. One family of 7 persons, among them an invalid, dwelt in one room and one dark chamber, with only two beds for the lot. A family of 5 persons had one room and a chamber, while one of 4 persons inhabited one room, and another of 4 members a small chamber.

In a room having one window, for which 78 marks ($19) were paid, a sick mechanic with his wife and three children lived.

A house in Dufour street is said to have been a perfect hive of poor people. In this house each family had so little space that there was hardly room enough for the beds.

In each half story of a house in Koch street four families were living. A very disagreeable odor pervaded the whole house, as the privies were never closed. In one tenement of one room with two windows looking out upon the street, for which 120 marks ($30) was paid, a man, his wife, and four children lived.

Other illustrations might be given.

Among the poor every available space is often let to night lodgers, and even their halls put to use in this respect. Under such conditions immorality luxuriantly thrives. Honest and respectable poor people, especially those having children, complain that in order to make up their rent, they have to let their hallways to prostitutes. It frequently happens that the poor, in order to rent their empty rooms, let them to women who are prostitutes, who exercise a bad influence upon the children. Both sexes find themselves obliged to sleep promiscuously together, and this is a blight on the marital and parental relation. It is no uncommon occurrence for widows and single women to have night lodgers of the male sex in the same rooms with them. In one and the same room in one of the little streets or lanes a woman is cited as living with her husband, just from the work-house, a five-year old son, and two so-called night lodgers. One case of sad aspect is given as follows: In the sixth story of a certain house the head of the family came home in his dirty clothes dead drunk and doubled himself up in a corner of his miserable room to sleep off the effects of his drink. His wife was consumptive, and could not earn anything, and had to depend upon a girl who lodged with her to take care of her children who were of school age. This girl brought home her lovers with her every night, and there they all slept together in that woeful place, mother, children, girl, and male companions, all in one room, in which, on account of the sickly state of the woman, neither light nor air was permitted to enter. It is sickening to tell the story of these things, but we have to learn of them to become acquainted with the life of the poor and forlorn.

Many tenements are not only used to live in but to work in at the same time; and the situation in Leipsic in this respect in 1885 was as follows:

Tenements.	Not used to work in.	Used also to work in.	Total.	Per cent. to total of those used to work in.
Having no heatable room	23	8	31	25.8
One heatable room without appurtenance	506	18	524	3.4
One heatable room with appurtenance	7,166	242	7,708	3.1
Two heatable rooms	8,100	429	8,529	5.0
Three heatable rooms	6,679	365	7,044	5.1
Four heatable rooms	3,360	256	3,616	7.0
Five heatable rooms	1,690	144	1,834	7.8
Six heatable rooms	1,014	84	1,098	7.6
Seven heatable rooms	613	40	653	6.4
Eight heatable rooms	989	134	1,073	12.5
Total	30,890	1,720	32,110	53.5

The habitations of the poor suffer very much from the uncleanliness of their inhabitants, and from lack of good ventilation. The general complaint is, not only in Leipsic but elsewhere, that the poor seem to have a perfect horror of fresh air, which is not only due to their want of warm clothing in winter and of fuel, but to bad habits also. The living rooms of the poor are but little ventilated in sum-

mer, and in winter hardly at all. Their windows are oftentimes so seldom opened, and so protected, that they swell until opening becomes an impossibility. Their stairways and halls in particular get little air. Their privies are seldom closed, rarely washed, and never aired, because they are generally used by a number of families, and each leaves the cleaning to the others. In most of their habitations the clothes are washed and dried, and occupations such as shoemaking, tailoring, and the like still further impair the air. In such abodes the poor live and sleep packed together without once opening their windows in many cases in the twenty-four hours that make up the day. No wonder is it, then, that a greasy and a musty smell is in their clothing wherever they go. But it is not always through lack of fuel that they keep their windows so hermetically closed, for they are known to live in this way in overheated rooms. The way the poor in Leipsic live is said to be sufficient to breed a plague, living as they do in rickety, musty, old buildings poisoned by the foulness of the air from neglected privies and other causes, a number in a room, where cooking, washing, shoemaking, smoking, living, and sleeping are all going on, with no fresh air to vivify things. Then, in addition, is uncleanliness ever present in such places.

The chief cause of the lack of proper dwellings for the poor of Leipsic is said to have been due a few years ago to the great press of people to the city from other quarters, attracted thither by opportunities for work and by the tendency of the times to flock to the cities. This influx of new-comers is not any more so great as it was, and the continued lack of tenements is attributed to the high price of ground, etc., which renders building for the poor unprofitable. According to statistics the increase of population in Leipsic from births and new arrivals from 1821 to 1885 was as follows:

	By excess of births.	Through new arrivals.
Thirty years, 1821 to 1850	4,395	21,359
Twenty years, 1851 to 1870	11,046	28,082
Five years, 1870 to 1875	4,698	19,757
Five years, 1876 to 1880	8,142	13,552
Five years, 1881 to 1885	7,880	13,381

The major part of the unimproved ground of Leipsic within and without the town is said to be owned by the city itself and prices kept up by the city, instead of disposing of the ground at reasonable rates for the benefit of the poor. The present mode, too, of leveling the small old houses and erecting fine buildings on their sites has lessened the accommodations for people of little means, and pressed the poor more together.

The proportionate increase from 1875 to 1885 which has taken place in the tenements of Leipsic, according to number of rooms per tenement, is shown by the following figures:

	In every 1,000 new ones.
Tenements with 0 heatable room	8
1 heatable room	163
2 heatable rooms	265
3 heatable rooms	311
4 heatable rooms	118
5 heatable rooms	66
6 heatable rooms	23
7 heatable rooms	22
8 and more heatable rooms	24

This shows a great decrease has taken place in the construction of the smallest tenements. In 1875 there were too few of them on hand, and a lessened demand for them has not occurred since 1875, else would the rents of the small tenements have gone down. The fact is that the poor have less tenements at their disposal than formerly. In 1875 of every 1,000 tenements there were 288 of one room that could be heated, but in the growth of tenements from 1875 to 1885 there were only 163 of these tenements to every 1,000 new tenements, while tenements having two heatable rooms, of which there were 265 in 1875, showed in the increase during the ten years in question the proportion of 265 to every 1,000 tenements, and the tenements of three rooms that could be heated an increase of 311 in every 1,000, with 188 of them in every 1,000 tenements according to the enumeration of 1875.

The consequence of the lack of plenty of tenements for the poor is that they have to either seek quarters outside of the city's limits or pay unduly high rents for people of their station in life, or rent with a view of subletting to others, or rent themselves a part of somebody else's tenement or room. They are thus forced to use every available spot to the best advantage, and crowd together like sheep, or, when we consider the way in which they dwell together, crowd together more like vermin. Many of the people of small means employed in the city live in its suburbs. The manner in which this subletting is done in some cases is shown by the following case: A woman living in a tenement in the fifth story, having a bright and clean stairway, which tenement is 88 square meters (946 square feet) in size, consisting of two rooms, a sleeping-room, a small hallway, and a kitchen with two kitchen closet rooms, for which she pays $90 a year rent, sublets each of the two rooms first mentioned to two persons, the sleeping-room to an old woman, while she herself lives in the kitchen and sleeps with her four children in the two small kitchen closet rooms. This is respectable, compared to many others.

Little, the author on Leipsic thinks, can be done by the State to remedy the lack of household accommodations for people of small means, and he says he knows of no measures taken by it to remedy the evil. By favorable railway rates, however, it can make it possible for the poorer classes to live in the suburban towns or in the country, and by undertaking large works of public improvement it can furnish them with means. This has been done to some extent, but more could be effected, it is thought. But the city could do a good deal, and is the proper authority for the purpose in the matter of putting up cheap houses for the poor or encouraging private enterprises in this direction by inspecting the erection of all buildings and having them conform to certain regulations, and, chief of all, by interdicting the misuse of existing buildings through overcrowding and in other ways. It is not supposed that the city should build structures to let out to the poor, but only provide houses of refuge for the temporary shelter of those not vagrants and paupers who are homeless or have been ousted. The city should also dispose of superflous land, it is urged, on cheap conditions for this purpose.

The working people of Leipsic are strongly affected with social democracy, and the miserable way in which they live is probably one of the chief causes of the disaffection which prevails among them. Leipsic is doing much for the encouragement of music and the fine arts, much for commerce and science, but for an improvement of the homes of the poor little is done by her and her citizens.

Leipsic has a new set of building regulations, the chief features of which are as f llows: Every living-room shall have at least one window opening into the air. Cellar tenements are permissible only under very favorable conditions, and subletting is not allowed in them. The construction of garrets for dwelling purposes is only allowed in cases where the building is not more than four stories high. Their ceilings, for one-half of the room at least, must not be less than 9 feet 9 inches above the floor, and are in no case to sink down to less than 32 inches, and the windows must be regular windows, and not a sort of trap-door arrangement. Every tenement must consist of at least two rooms and a kitchen. A stairway is supposed to serve for two tenements in each story when a house is built in double tenements.

Now, it may be thought that what is set forth in these pages applies only to the most ordinary day laborers and not to skilled workmen. But that even the latter are comprehended can soon be established by a few figures.

Throughout Germany the common laborer earns, as a rule, from $1.50 to $3 a week. These are the men who are the hewers of wood and drawers of water, who do the most menial kind of work, such as digging with pick and shovel, etc. The skilled mechanic makes a little more, but not a great deal more on the average. The great mass of working men of Germany, skilled and unskilled, may be said to earn from 25 to 75 cents a day. Very few go beyond the latter figure. And with this 25 to 75 cents they can not buy more of the necessaries of life than the American workingman can with the same amount of money. The consequence is that the skilled workman, even, has no social position of any kind.

Said the consul at Leipsic in 1884 (Mr. Du Bois) in the report by him on labor, which appeared in volume 3 of the publication by the Department of State on Labor in Foreign Countries, issued in 1885:

A slight increase of wages has materially improved the workman's position in the struggle for existence, which is really desperate throughout all Europe to-day. But this improved condition affords him only the absolute necessaries of life, and, looking into the future he sees for himself and his children a "hand-to-mouth" existence, with black bread and coffee for breakfast; black bread, fat, and potatoes, with soup, for dinner; black bread, cheese, and beer for supper; all sleeping in one room, and eleven hours of daily toil as a necessity to secure this meager maintenance. This is a picture of the average workman. There are some who live better and there are others who fare worse. I met one of the former recently who kindly gave me an insight into his home life. He was a tanner, a robust, intelligent, good-natured man, who kept his eyes turned toward the bright side of life's picture as much as possible. During the conversation I asked him what was the condition of his fellow-workers, and he replied, "Oh, we all have to dig to make both ends meet."

How are you personally situated?—I am better situated than most of my comrades and ought not to complain; I have only a wife, and she earns now and then something by needle-work; but some of my comrades have invalid wives and several children, little ones, too young to earn anything. They can't make both ends meet on a Saturday night at 15 marks per week, and it makes them sullen and sometimes desperate. I earn 17 marks per week and my wife sometimes earns 5 or 6 marks more.

Can you live on that amount comfortably?—Yes; as long as my wife earns a little extra we get on fairly well.

What if your wife's income should fail, how would you fare?—Well that has often occurred; we simply drop the meat, beans, and butter, and stick to black bread, fat, and potatoes.

Have you an idea what your weekly expenses are?—Oh, yes; they are not so great but what we can account for them; they cover the 17 marks, without leaving any margin.

Could you give me a detailed account of how you spend your weekly wages?—I can do so very nearly, as we keep an expense account, which is balanced every

week. Our local taxes amount to 32 pfennigs (8 cents) a week. The balance of the expenses average per week about as follows: House rent, 88 cents; clothing, 70 cents; coffee, 15 cents; potatoes, 46 cents; cheese, 15 cents; butter and fat, 60 cents; beer, 35 cents; black bread, 34 cents; meat (twice a week), 30 cents; fire, 24 cents; light, 8 cents; taxes (local), 8 cents; total, $4.33. Wages received per week, $4.04. In debt, 29 cents (1.28 marks).

But by this account you are 1.28 marks in debt; how do you meet this discrepancy?—As I said before, sir, we drop meat, beans, and butter, and stick to black bread, fat, and potatoes.

What kind of a house are you able to rent for 3.52 marks (88 cents) per week?—I rent two rooms in the third story; one room is used as a kitchen, the other is our miscellaneous room, used for eating, sitting, and sleeping.

How many families live in the same house?—There are eight families, including the one living in the cellar; altogether there are 32 persons living in the house, and the weekly rent of the entire place amounts to about 40 marks ($9.52).

Are you able to save any thing for old age?—You see by my statement that unless my wife earns something I am in debt every week about 1.28 mark. If she does earn anything we spend the extra earnings in buying meat, butter, and other luxuries. No, sir; the thought of saving anything for old age is not nursed. A man with a family who receives but 17 marks a week (and that is good pay) never has much time to think of the future; his thoughts are fastened on the present, with a constant anxiety as to how he is to make both ends meet. Among the majority of my comrades it is a fact that their wages are not sufficient to support their families, and, consequently, the wife and elder children, if there are any, have to contribute their share to the daily support.

This gives a fair insight into the daily life of the averge European artisan, and in it are wrapped up, to a large degree, the mysteries of lively emigration and socialistic tendencies.

Abundant concurrent testimony to the same effect can be gathered from our consular reports.

And he put the wages received at Leipsic in the general trades at the following figures per week:

Brass founders, eleven hours per day	$4.04 to $4.76
Blacksmiths, eleven hours per day	4.28 to 5.47
Coopers, eleven hours per day	4.04 to 4.99
Cabinet-makers, eleven hours per day	3.57 to 7.14
Dyers, eleven hours per day	2.52 to 2.88
Gardeners, twelve hours per day (summer)	3.57 to 4.76
Gas-fitters, eleven hours per day	3.57 to 5.47
Gas-fitters' assistants, eleven hours per day	2.85 to 3.80
Gas-fitters (job work), eleven hours per day	4.70 to 7.14
Glaziers, eleven hours per day	4.28 to 4.99
Hod-carriers, eleven hours per day	2.38 to 3.57
Masons, eleven hours per day	4.88 to 6.20
Masons' tenders, eleven hours per day	3.57 to ——
Potters, eleven hours per day	2.85 to 4.28
Painters, eleven hours per day	4.28 to 4.76
Saddlers, eleven hours per day	3.57 to 4.99
Tinsmiths, eleven hours per day	4.04 to 4.76
Telegraph operators, eleven hours per day	4.00 to 4.71

Bricklayers and carpenters were paid at the time 7½ cents an hour, working eleven hours a day.

The factory wages he gave as follows, per week, with eleven hours of labor a day in nearly every instance:

Weavers:	
Men	$2.88 to $4.32
Women	1.68 to 3.60
Overseer	4.60 to 7.20
Worsted-yarn mills:	
Men	2.88 to 4.32
Women	1.68 to 3.28
Dye-houses:	
Journeymen	2.52 to 2.88
Female hands	1.68 to 1.92
Apprentices	1.56 to 1.80

Finishing works:	
Finishers	$4.80 to $7.20
Assistants	3.36 to 4.08
Apprentices	1.56 to 1.80
Accordeon factories:	
Journeymen	2.76 to 3.12
Joiners	3.36 to 4.32
Tuners	4.80 to 7.20
Apprentices	96 to 2.16
Children	36 to 60
Carpet factories:	
Men	2.88 to 3.84
Women	1.48 to 1.92
Iron foundries:	
Journeymen, on the average	1.68
Turners	3.60 to 4.32
Founders	3.60 to 4.32
Tanneries:	
Journeymen, on the average	3.36
Tanners	3.60 to 4.32
Breweries:	
Journeymen	2.88 to 3.60
Brewers	4.32 to 5.76
Chinaware factories:	
Journeymen	2.64 to 2.88
Painters	4.32 to 5.76
Female hands	1.44 to 1.80
Horse-hair spinning factories:	
Journeymen	2.64 to 2.88
Spinners	3.60 to 4.32
Female hands	1.68 to 1.92
Glove factories:	
Tanners	3.60 to 4.32
Dyers	2.40 to 3.36
Glovers	2.88 to 4.80
Seamstresses	.48 to 2.40
Tobacco mills:	
Journeymen, on the average	2.88
Twisters	3.84 to 4.80
Female hands	1.56 to 1.80
Children, on the average	.42
Apprentices	.72 to 1.08
Flour mills:	
Journeymen	2.76 to 3.00
Miller	3.60 to 4.32
Hat factory: Journeymen	3.54 to 9.28
Furrier: Journeymen	4.26 to 5.70

The consul-general at Frankfort-on-the-Main made the wages of general trades at that city at the same time per week, at sixty hours to the week, to be as follows:

Bakers	$2.90 to $4.00
Blacksmiths	2.16 to 4.70
Blacksmith strikers (usually boys)	1.00 to 1.50
Bookbinders	2.68 to 4.85
Bricklayers	2.40 to 7.20
Brickmakers	1.50 to 4.65
Brewers	4.75 to 5.75
Butchers	2.32 to 3.47
Cabinet-makers	2.40 to 4.75
Carpenters	2.64 to 6.80
Confectioners	2.60 to 4.10
Cigar-makers	2.38 to 3.57
Coopers	2.65 to 4.18
Draymen and teamsters	2.10 to 2.85
Dyers	2.85 to 3.85
Engravers	4.50 to 7.50

Furriers	$3.50 to $4.50
Gardeners	2.20 to 3.80
Gas-fitters	2.90 to 5.20
Hatters	2.85 to 5.00
Horse-shoers	2.75 to 3.50
Laborers, porters, etc	2.00 to 3.00
Lithographers	4.25 to 10.00
Masons	2.40 to 7.20
Millwrights	3.50 to 5.50
Nail-makers (hand)	2.10 to 3.25
Plasterers	2.65 to 5.85
Potters	2.90 to 4.60
Printers	4.25 to 9.00
Saddle and harness-makers	3.75 to 4.25
Slaters	3.75 to 4.75
Tanners	3.75 to 4.25
Tailors	2.75 to 3.35
Tinsmiths	2.50 to 3.75

And the consul at Barmen on the same occasion stated the weekly wages in the different parts of Germany to be as follows:

State or province.	Building trade.	Retail trade.	Manufacturing.	Tenders and laborers.	Average.	State or province.	Building trade.	Retail trade.	Manufacturing.	Tenders and laborers.	Average.
Silesia	$3.21	$2.48	$2.54	$1.45	$2.42	Mecklenburg-Schwerin	$4.19	$2.90	$3.09	$2.40	$3.14
Brandenburg	3.66	2.62	2.76	2.16	2.80						
Posen	3.66	2.90	2.76	1.99	2.83	Brunswick	3.93	3.14	3.21	2.47	3.19
Thuringian States	3.80	2.63	2.85	2.95	2.90	Hanover	4.24	2.99	3.09	2.52	3.21
Pomerania	3.64	3.00	2.90	2.24	2.96	Anhalt	3.86	3.28	3.21	2.52	3.19
Kingdom of Saxony	3.82	2.84	2.92	2.46	3.01	Grand Duchy of Hesse	4.12	3.33	3.45	2.50	3.37
West Prussia	4.17	.....	2.85	2.07	3.03	Bavaria	4.64	3.38	3.09	2.45	3.39
East Prussia	4.64	3.09	2.86	1.71	3.07	Hesse-Nassau	4.05	3.33	3.57	2.61	3.39
Province of Saxony	3.91	2.95	3.11	2.40	3.09	Wurtemberg	4.43	3.47	3.47	2.86	3.56
						Baden	4.52	3.56	3.58	2.85	3.63
Rhenish Province	4.48	3.56	3.56	2.80	3.60	Hanseatic Cities	5.24	3.80	3.76	3.76	4.14
Schleswig-Holstein	4.63	3.45	3.45	2.97	3.68	Alsace-Lorraine	5.36	4.48	4.36	3.33	4.38
Westphalia	4.56	3.77	3.92	2.85	3.77	German Empire	4.12	3.11	3.26	2.42	3.23

With such wages as the foregoing the working-man of Germany can but live in the manner I have been describing; but from all that I read and see and hear I am firmly persuaded that his lot is an improving one.

FRANKFORT-ON-THE-MAIN.

[The article on Frankfort, from which I get my points, is by Dr. Flesch, one of the members of the city magistracy.]

This is the home of the Rothschilds, and, I have seen it stated, has more money per capita than any other city in the world.

Frankfort has a good climate, good drinking water in abundance, good sewerage, is roomily built, having long and wide promenades and many streets with gardens; cellar habitations are rare and dwellings in fifth stories and higher few, although constantly increasing in number; for while 10.2 per cent. of the population of Berlin and 6.5 per cent. of the population of Hamburg lived in underground habitations in 1875, in Frankfort up to 1880 only 0.1 per cent. of its people were thus situated. In fifth stories only 4.63 per cent. of its inhabitants dwelt. But its dwelling-houses are said to be becoming inferior in every respect. An energetic

building department and a rational system of building regulations, together with a population pretty well fixed pecuniarily, has kept down inferior and unhealthy houses, but a new set of building regulations adopted in 1884 has given greater license to the erection and maintenance of improper structures. Frankfort, up to recent times, had always been a free city of the Empire, and that may account to some extent for the love of its people for household room.

With the exception of a few narrow and unhealthy streets, the houses of Frankfort are on the whole healthy, but they can not be said not to be overfilled in a large measure, and this overfilling is a misfortune that is on the increase. A dwelling is considered there to be overfilled which has more than two inhabitants to a room. About 1882, of 27,763 dwellings in use (excluding hotels and places of common resort and 1,253 empty dwellings), 3,304, or about 12 per cent., were overfilled, containing 19,005 inhabitants, or 14.36 per cent. of the entire population; and under the designation common in this country a dwelling is anything from the one room occupied by a working-man and his family to the grand flat in the aristocratic end of the town. Of these tenements 23.7 per cent. had either no room that could be heated, or one such only, and 22 per cent. only two rooms that could be heated. In these dwellings 37.3 per cent., or more than one-third, of the population of the city dwell. Without a kitchen were 3,258 tenements, or 11.74 per cent. of the whole number.

But the 14.36 per cent. just given as the population living in overcrowded rooms, or tenements, is far below the actual percentage, according to the American idea of overcrowding. The German statistics are based upon households, and when the statistic-gatherers come across four small rooms in any story of a small house whose inmates consist of three different families, made up of a married pair, with two children in two rooms; a couple without children, or a single woman, in one other room; and a widow, or a man and his wife and four children, in the fourth room, they simply write down the third or last mentioned as being overcrowded, and regard the other two as regular or all right. And what are the indirect consequences of this system of overcrowding or herding of human beings together but a moral injury, a destruction of all true family life, and a generator of filth?

On an average each tenement of Frankfort was occupied in 1882–'83 by 4.76 persons. Taking into consideration that 1,253 dwellings were then standing empty, it will be seen that the city of Frankfort at the time in question was suffering from a lack of dwelling places for its people, for the 1,253, if occupied, would have provided for but a small part of the people necessarily living in overcrowded rooms. But Frankfort comforts itself with the thought that in other cities of the Empire this condition of things is much worse. And the prospect is not for an improvement, but for rather a deterioration of present conditions.

The starvation wages of the working classes compel them, in order to get along at all, to resort to all sorts of shifts and expedients to make their meager incomes sustain themselves and their families. Small, unhealthy, and forbidding tenements are taken, oftentimes strangers to a full measure of light and air, in narrow alley-like streets. Dirty they are and dirty they remain. Overcrowded, ill-smelling and forlorn, in them the working people bring up their nu-

merous progeny, to dwell like the bats and the rats, God only knows how!

The statistics of the city showed in 1875 an increase over 1871 of the building lots having houses for one to three households of 532, and of those for four and more families of 292. The year 1880 showed that there had been an increase over 1875 of 394 in the case of the former, and 1,058 in that of the latter, brought about principally by old buildings giving place to new and larger ones, to accommodate a greater number of tenants.

In 1871 there were on an average to each tenement 3.18 rooms that could be heated; in 1880 there were 3.39. In 1871 there were on an average 5.73 persons to each tenement, in 1880 but 4.76; and it is to be inferred therefrom that there was a decided improvement in sanitary conditions and a progressive satisfaction of the demand for more comfort in dwellings. The author of the article on Frankfort, however, maintains that so far as medium-sized and small tenements are considered there has really been a step backward. In former times many tenements had rooms used for purposes which do not require the use of fire, but now tenements, as a rule, are called for which have as little spare room as possible, and which favor the subletting of parts or the use of all its rooms for habitations. Builders, therefore, provide that as many rooms as possible shall be made to live or sleep in. The appearance, too, the same author holds, of more room to each inhabitant is a fallacy, because it is impossible in a city like Frankfort to exhibit the density of habitation under the term "tenement." The large tenements are occupied by people who have very large families, or who are very rich, and in consequence have a good many servants around them. In the small tenements, on the other hand, the people of small means are huddled together by force of circumstances, and they are held by people with large families who can not pay much rent, or by childless and single people. The only fact the figures show, he claims, is that there has been a decrease of the large tenements, and an increase of those in which no provision is made for servants and night lodgers. The conclusion is, therefore, drawn that there has been a deterioration rather than improvement in the tenements of Frankfort.

Rents are higher than formerly, because the demand is greater for dwelling room, in consequence of the overcrowded state of many tenements, and the consequent enhancement of their rent. Overcrowded tenements are always dear, comparatively speaking, as well as unhealthy, because two people, as a rule, pay more for a room than one would, and a tenement divided into two or more parts brings a higher total rent than when let singly; of course the capacity of tenants to pay has also much to do with fixing rents. And this has a bad effect upon the working classes, because it obliges them to live too crowded together and to give out too great a proportion of their earnings for rent, forcing them to deny themselves and their families the actual necessaries of life, making them gradually dispose of all their possessions in order to meet the rent, and finally driving them out to tramp and beg. That such is the case in Frankfort can not, it is said, be refuted. Many working-men and inferior officials have to pay as much as one-fourth of their incomes for rent, which is entirely too great a proportion, while the tenements of the rich are to be had for a very small fraction of their incomes. Lack of small tenements, too, leads a great many to rent flats too large for their own individual requirements, in the expectation of being able to sub-

let a part of them. This oftentimes they either fail to do or fail to get the money for when subrented, and as a consequence their few possessions go to appease the landlord. This is said to be a source of great complaint, and many are thrown upon the charity of the city by reason of it.

According to the tax lists of Frankfort for 1882–'83 there were 123,619 persons whose family head had an income of less than 3,000 marks ($750) a year. The rent tax lists of the same year showed only 18,935 tenements with a rent lower than 600 marks ($150) a year and only 2,669 of these with a rent less than 170 marks ($42.50). Putting the number of 600 marks tenements at 19,000 and reckoning five inmates to each tenement (the statistics show 4.77) it will be seen that these tenements contain 95,000 persons. Then in the houses of the well-to-do there were about 13,000 servants, which deducted from the 123,000 persons in families with an income of less than 3,000 marks ($750) a year would make an entire population of 110,000 dependent on cheap tenements out of a population of about 145,000. The city had 154,513 inhabitants according to census of December 1, 1885. These people it thus appears undoubtedly live too crowded together, have to pay entirely too much rent for poor accommodations, and the community suffers in a lowering of the moral tone of its citizens and an abbreviation of their temporal well-being.

On the poor with large families the want of dwellings presses with the greatest severity. The small tenements are sought by those with large families who can not pay much rent; also by others with little or no family who do not require much room. The latter, made up of single persons or childless married people, are, of course, always preferred by landlords as tenants. The people with large families consequently oftentimes meet with difficulty in procuring a tenement, and, after it is obtained, are likely to be dispossessed by the landlord in a short time, who has found an opportunity to rent to some one without children or with a less number of them. It often occurs at Frankfort, says the writer of the report for that city, that the poor with large families seek a long time almost in vain for a tenement, and when at last, with the aid of charity or by a concealment of the actual number of their children, they get a tenement, they are not sure of it for any length of time, for as soon as a party with a less number of children comes along who wants the place the first people are given notice to quit, and the old story of finding a tenement with difficulty, and necessity for public support, takes place again. Thus cast from pillar to post, so to speak, they are said to lose all care about saving, household comfort, and family life, and in many cases very well-disposed men, in consequence of the high rents and the trouble they experience in securing and holding fair places of abode at moderate rents, become completely discouraged, give themselves over to an abandoned life, leave their wives and children to get along the best way they can, do not give themselves the slightest trouble to obtain a place to dwell in, and fall back upon the charitable support of the city. He says he knows of cases where people, earning eighteen to twenty marks a week ($4.50 to $5.00), and having six children to care for, were compelled to pay thirty marks ($7.50) a month for two small rooms.

But what is to be done with the poor who will persist in surrounding themselves with a larger number of children than the

neighboring rich? The state can not be expected to provide for all the offspring of reckless lust.

Rents are high in Frankfort and buildings over crowded because few small dwellings exist. Few are put up, because builders find the large structures more profitable. Houses containing small dwellings of three rooms and less are harder to manage and sell less readily than those with large flats. There are plenty of tenement houses erected containing flats of five and six rooms, with all the modern conveniences of bath-rooms, water-closets, small gardens in front and back, etc., suitable for people of moderate and large means, who forsake the abodes of the old town for them, the rents for which are reasonable because the landlords know they are regular and safe; but few or no houses are erected for the working people. They press in droves into the old habitations left by their more-favored fellow-citizens, and soon suffer on account of the overcrowded state of the tenements, from the evils of bad sewerage, etc., which the former occupants did not much experience, because their manner of life was different. Thus the old and unhealthy houses become the abodes of the poor and unfortunate, who pay exorbitant prices, comparatively speaking, for small places to dwell in.

The renting is monthly, and delay in paying the rent gives the landlord the right to expel at once and distrain, set the tenant out into the street with wife and child, minus cooking utensils and tools of trade, minus clothes and bed. On all the evil consequences of this sort of thing it is unnecessary for me to expatiate. It is simply demoralizing.

The police are in effect powerless to do anything. They can declare a tenement to be unfit for human beings to live in and close it up, but they can not do anything for its improvement. They can only drive the tenants out to get into like or worse quarters, and thereby increase the overcrowding or throw the poor and helpless on the city's benevolent care.

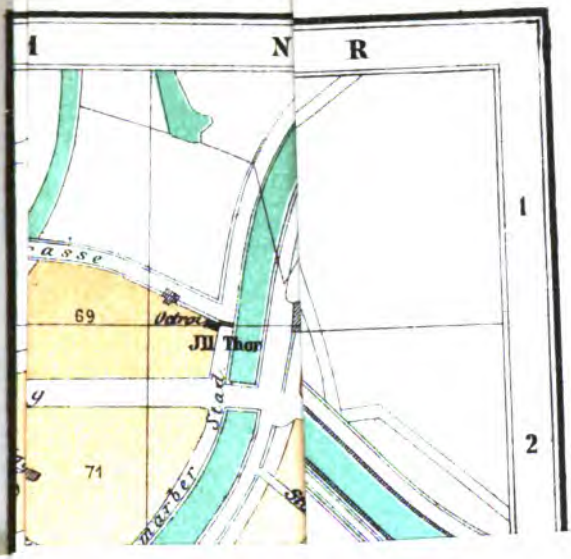
There are several societies in Frankfort whose aim is to improve the habitations of the poor, but I do not suppose they have accomplished much.

STRASBURG.

[Made up from a paper by Dr. Weill, an attorney at Carlsruhe.]

Strasburg (population 111,987 in 1885) is one of those places which, on account of its strategic position, has ever been a fortified town, and, as a consequence, cramped in room for growth and expansion. Confined within certain limits by the strong walls inclosing it, its citizens, as they increased in numbers, were compelled to live more compactly together. The consequence is that the streets and ways of old Strasburg are but serpentine lanes or alleys, so to speak, and not worthy to be dignified with the name of streets. Whatever wide thoroughfares exist owe their being to the filling up of old canals whose places they occupy, or to the Romans who laid them out, or to conflagrations in recent times, which, burning down old, closely-built-up quarters, permitted new and more wholesome ways to be made.

The public ways of Strasburg, according to the statistics of the place, leaving out of consideration fifteen river streets with a breadth of 45 to 62 meters (147 to 203 feet) and three river streets with a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breadth of 80 to 85 meters (262 to 278 feet), measure as follows in width:

	Feet.
9 ways with a width of	3.3 to 5
118 ways with a width of	6.6 to 16.50
108 ways with a width of	16.50 to 33
20 ways with a width of	33 to 39.4
11 ways with a width of	39.4 to 46
16 ways with a width of	46 to 55.8
11 ways with a width of	62.3 to 72.1

This gives one hundred and twenty-seven streets with a width of only 1 to 5 meters (3⅓ to 5 feet). What arteries in which to pulsate the life of a city, especially when it is considered that in these narrow streets the poor most do congregate with their uncleanly habits and their overcrowded habitations. In 1878–'79 Dr. Weill drew a description of Strasburg which is said to be about as applicable to-day as it was then; and this description I reproduce in substance as illustrative of the cramped and unhealthy mode of living prevailing in the old walled towns of Germany, but which, happily, is giving way to the searching light and restless progress of the present times, though none too fast departing but rather much too lingeringly.

Accompanied by several inspectors of the poor and working-men, Dr. Weill roved all over the town and visited numerous dwelling places of the laboring population.

Strasburg was then divided into four cantons or districts, now into five. In the first or west canton one portion had suffered severely from the bombardment of the Prussians and there new streets and houses had sprung up, in which a large portion of the new-comers to the town had taken up their abode. But in its southern part dwelt, in the highest buildings and in the back buildings, the people working in the tobacco factories, etc., presenting a picture of a true working-man's quarter. Only at the extreme western end of the canton did he meet with a street more thickly occupied by the laboring poor, in some old barracks which the bombardment had missed. Here he came across some of the very meanest kind of tenements, with narrow rooms whose doors and windows were half crazy from want of repair. In these miserable apartments, from whose walls in winter the dampness exuded to shiver the blood and plague the bones of the wretched inhabitants, and whence in summer the vermin swarmed to make merry on their luckless hides, dwelt a forlorn lot of day laborers. In this neighborhood after the close of the Franco-German war new buildings were put up to replace others the shells of the Germans had stormed down, but these were said in some instances to make not much better an appearance than their ancient neighbors. Unsolidly built up for speculative purposes, in a few years they looked weatherworn, sadly out upon the world. They were provided also with cellar tenements, something to which old Strasburg had been a stranger.

Then again he comes across an aristocratic quarter, occupying the site where formerly people of the middle classes lived.

Crossing the railroad bridge he went into that part of the first or west canton lying upon the right bank of the canal, which, besides its streets inhabited by the rich and middle classes of people, contained some very forbidding-looking gässchen (alley streets). Passing by the blindengasse (same as gässchen) which connects the Lange-strasse with the Kinderspielgasse, in which dwelt principally people of the middle classes, though containing many proletarians,

Dr. Weill considers the Leimen and Stampfgässchen, which he describes as narrow and serpentine in their course, devoid of light and air, and the haunts of the poor and depraved. On them old buildings uprear their lofty heads, crowded from basement to garret with a fermenting mass of humanity, made up of working-men and prostitutes. But few of these tenements consisted of two rooms, and these were occupied by foreigners as places to sleep in. In the small yards propped-up, weather-worn buildings were connected with the side and back buildings by worn-out, decaying passage-ways, also thickly inhabited. The neighboring gässchen were in a similar plight, which, however, happily did not number many houses.

This canton, on the whole, however, did not contain, relatively speaking, a large laboring population, and was made up for the most part of wide and airy streets.

In the north canton is the business part of the town, with its animated life and gay shops, its architectural monuments and rich private residences. But there is also here a dark side. Behind these busy thoroughfares and well-tenanted streets lie concealed buildings of great size, by which run narrow, dirty ways, the abodes of poverty and vice. Although inhabited in part by people of small means, paying comparatively high rents to be near the heart of the town, the greater part of this quarter is fearfully lacking in light and air, and does not answer the slightest requirements of healthy tenements. A great many mechanics' lodging-houses are here, where a dirty bed and poor food are to be had for so much money. These houses contain in each room of the ground floor sleeping accommodations for four persons; in the small garret rooms two places. The food with which they are served is the waste from the hotels, and for drink a very poor potato brandy is mostly supplied. The chief diversion of the mind of the inmates of these places is card-playing.

This lodging-house quarter is, however, by no means the only miserable one of the north canton. Compared to some other streets near by, it must be reckoned among the better class of localities, as well in character of inhabitants as in quality of houses. Here prostitution holds high carnival, occupying the lower stories of the front houses, while working-men dwell in the upper stories and rear houses. The most lamentable of these gässen is one known as the Giesshausgasse, redeemed but "a few years ago from an antediluvian filth" by a paved way, rendered lamentable by the filthiness and vileness of its inhabitants. Most of its houses contain small shops on their lowest steps. Steep, greasy stairways, with ropes for a support, lead one as far as the fourth story into mournful looking habitations, whose portals inclose a miserable bed, a shaky, rheumatic-looking table, and a backless chair, constituting the entire possessions of the wretched inmates.

Not much better appear the tenements of the laboring people in the two parallel streets. The best tenements in the front houses are occupied by public prostitutes; in the worst ones appear the stalls of dealers in old clothes, small shops, and public houses of questionable repute. Entering one of the houses we find the entrance, which is used as a urinal, leads us to a small, dirty court, where there are privies standing wide open, emitting a noisome stench. Dangerous steps, up which we pick our circumspect way, conduct us into the upper stories of the rear houses. Age and decay meet our gaze on every side. Our eyes recoil from the dreariness beheld; our hearts falter. Dampness, limitation, and want rule the place, with death

and hell for an inspiration. A small, damp, indigent room, 8 feet square, with a small, poverty-striken looking hole for a window, and at whose doorway the water comes down in drops, costs 15 francs ($3) for three months. The better tenement adjoining, consisting of a room with two windows, and of another room and a kitchen, whose filthiness baffles description, costs 45 francs ($9) for the same period of time, or 3½ francs a week. Eight persons content themselves with 3 beds, standing in the only room that can be heated. The weekly income of the head of the family occupying this tenement, who is a city laborer, amounts to 12 francs ($2.50)* when he has plenty of work. He pays 70 cents a week rent, and has $1.80 with which to study the science of economy. But his palefaced children, with their hungry countenances, lank bodies, and scrofulous heads, add a little to the family income through public begging at night on the sly, and by the sale of matches and other trifles in the saloons when they can do so without catching the eye of the police.

For the poor of some respectability to keep away from these hells is impossible. Their means do not permit them to dwell elsewhere.

Although the north canton of the city, notwithstanding many dark places, can be characterized as well to do and even well off, far otherwise is it with the south and east cantons. In the south canton, which extended along both banks of the Ill, from the Weissthurmbrücke and bedeckte Brücken to the Schreibergasse on the one side and the Metzgergasse on the other, the eye saw, cut through by the southern side streets of the Langenstrasse and the Illarmen, a working-man's quarter of high buildings running up to five stories in height, thickly inhabited, with damp, greasy entrances, devoid of every architectural ornamentation, and strangers to light and air.

This region prostitution has made its favorite resort. With this parasite the Strasburg laborer has become so accustomed to live as a neighbor and co-tenant that from long contemplation of it he has ceased to look upon the shamelessness of its trade. No wonder, then, is it that he beholds with indifference, and even favor, the prostitution of his very wife and own daughter! His children, of both sexes, male lodger and grown daughters, sleep in the same bed, bundling together in the most reckless manner.

If any distinction is to be made among these side gässen (ways) of the Langenstrasse the better of them, it is said, would be found to be those wherein prostitution most has fixed its seat, at extraordinarily high rents; the worst, those left most severely alone by it. To the first sort belong the Bücher, Lindenfels, Hahnen, and Kleinspitzengässchen. A few houses here, thanks to the bombardment, present a favorable appearance, but the aspect of most is forbidding. They are old and badly out of repair. The rooms exhibit the traces of dampness, the sad old stoves smoke, and the warmth procured by much sacrifice escapes rapidly through badly-closing doors and windows. The furniture usually consists of nothing but bed, table, bureau, and two chairs, with here and there, though but seldom, a clothes press. To describe the privies passes language. As a rule there is but one for a whole house, overpopulated as it is, standing side by side with a well of drinking water. They and the uncleanliness of the inhabitants of the houses completely corrupt the air, which gets into the narrow streets and contracted yards.

In a still higher degree fits this description the sorrier gässchen of the second class referred to, the Magneten, Müller, Haar, and

* All over Germany $2.25 to $3 a week is all that the ordinary day laborer makes.

Gähgässchen. Here we come across old hovels with worn-out stairways, or, better said, ladders, up which the stranger must grope his way with circumspection. Rarely happens it that a family living here is able to possess more than one room. Light and air in these buildings up to the fourth and fifth stories are unknown visitors, but filth and uncleanliness make their presence well manifested. Age and moisture have laid their fell hands on everything. Smoke fills the rooms and blinds the tenants. The badly-laid floors have broken apart in places and seem to serve as welcome fuel. Many of the rooms look more like the stalls of animals than the abodes of human beings. In one room, not 10 feet square, situated right under the roof, an old woman was found, in a damp and cold corner, who had been eleven years there. A moldy old bedstead, on which a tattered sack of straw reposed, a questionable table, and two chairs formed the entire outfit of her room. There she passed the years of her mortal captivity, with not a beam of sunshine to connect her with the outer world. Not one ray of light gleamed into the misery and loneliness of her room through the garret window one foot square with which it was provided. There she crouched; we can imagine her crying, "Oh, Lord, how long, how long?" There was no summer here; life to her was but a winter's tale, long told. For this squalid place she had to make the greatest sacrifice, endure cold, and feel the grip of hunger, to pay 15 francs ($3) rent a quarter.

Next to her lived an old rag picker, a woman still worse off. Her occupation, rag picking, made her miserable corner, which the statistic gatherers would dignify with the title of a room that could be heated, the abode of all kinds of imaginable dirt and a favorite resort of vermin.

The buildings in this quarter, as well as in the other forbidding parts of the city, belong in part to rich landlords and people of the middle classes dwelling in other sections of the city, and who only enter their horrid pieces of property to collect rents. Many of them, however, find it much more agreeable never to deal directly with the ragamuffinly tenants, but to rent the whole house for a lump sum to what are known as "hauslehuer" (housebrokers).

The buildings are divided up into numerous tenements. Repairs are seldom made to them. Their inhabitants are allowed pretty free play in them, and the want and misery in which they dwell make themselves apparent in an indescribable uncleanliness. The women, as a rule, have to work hard all day, and at night have too little time and are too weary to clean things up. No wonder is it then that the laborer, on coming home from work, leaves his miserable room or two as soon as possible and seeks air, comfort, and distraction in the neighboring streets and saloons.

But the inhabitants of these wretched tenements are mostly day laborers, wood-choppers, and old women, the latter of whom, for a few francs which they are able to pick up for washing and cleaning, obtain here a mournful asylum for their last days. Skilled workmen and mechanics are little to be met with. It is more the men who work with pick and shovel in summer and as wood-choppers and burden bearers in winter. Dependent upon uncertain employment from day to day, their existence is a hand-to-mouth one and they are often subject to the greatest privations. The slightest stagnation in the labor market throws them out of work and into the streets, where they hunger away the time until accident or a favorable conjuncture of circumstances puts work into their hands again. Born in poverty,

misery, and evil, they pass their lives in them, and know no other life. Many of them are of illegitimate origin, and grow up with little or none of the influences of religious instruction and public school education. Truly is their life a sorry one, and we can but exclaim on viewing it, "Great God, how can these things be?" Sent forth in early childhood to obtain aid for their wretched mothers, through vagabondage in the low saloons or beggary in the public streets, as soon as they become strong enough to work they are put at the most menial and unskillful employments, wherever for the time being the most money is to be earned. As their material condition is the very lowest and their habitations the most miserable, their ideas of law and morality are of the vaguest and faintest kind. Given over to unbounded drink and unbridled sexual indulgence, they seem to be but incarnations of evil and wretchedness—but correspondences in themselves and their lives of the hell beyond—but may God have even for them a way of salvation and lay not unto the community which contains them the responsibility for the woes of their lives. They are, however, probably as apathetic to their hell as I suppose the denizens of the eternal one are to theirs, else would they find some way of escape from it. It all depends upon how you look at it.

Going back to the streets adjoining the side gässen of the Langenstrasse, we come across the Pflangbadgasse with its Sackgässchen, what is known as "Little France" and Wörthelstaden. Here the houses are also pretty bad. Picturesquely situated along the water appears this region, and picturesquely appear the old houses which are relics of the historic past. They also contain, if in a smaller number, cold, damp, overcrowded rooms. They are, however, in a somewhat better condition than those we have just been considering. But there are also houses here which are in a ruinous and desolate state. The rents are comparatively high, running from 15 to 90 francs ($3 to $30) and averaging about 45 francs ($9) a quarter. For the last mentioned two rooms, one with a stove in it, can be had. Estimating the average weekly wages of a skilled workmen at 18 francs ($3.75) a week, we see that to live in even a miserable way he must pay 20 per cent. of his entire earnings for rent. In the case of many families "charity" must come in with its bread and wood to keep in life and heat. The charity, however, that does not strike at the root of all these things and remove the cause is a misnomer. What is wanted is not alleviation, but rather amelioration.

From "Little France" the way conducts one over several bridges into the "Finkweiler Quarter," occupied principally by small citizens. Only a few short, concealed gässen, such as the Hirten and Kochlöffel gässchen and the Zommuhlgässchen, it is said, deserve here mention. On the other side of the Thomannsbrücke a good quarter in general is met with. It is also not lacking in horrid, dirty gässen, but they are out of sight.

Next to the Brunnengasse, which, however, does not belong to the worst of the streets or lanes, one's attention is excited by the Drusengässchen, which unites the Knobloch and Schlossergässchen. In large barracks, surrounding a small square court, not less than 30 families have found shelter. The price for an ordinary room is 45 franc ($9) per quarter. Everything is old and fast falling to pieces, and the air foul. The higher up in the buildings one gets the smaller he finds the lodgings and the greater the number of inmates, every available space being occupied. In one corner, away up somewhere

near the roof, too damp and foul even for a wash-room, Dr. Weill found a laborer's family, consisting of six persons, ensconced, who paid 20 francs ($4) per quarter for their wretched place.

Through the Knoblochsgasse, whose rear houses harbor many bad lodgings, and the Rindsfussgässchen, a dark lane, the old Fischmarkt and daylight are reached, As throughout Strasburg, behind almost all of the elegant streets misery dwells in dirty corners, hidden away from the unobservant passer-by, so here, secreted back of the showy stores of the old Fischmarkt, and away from the gaze of the busy stream of humanity which ebbs to and fro, reposes an ugly, repugnant debris. This is the narrow (but a few feet wide) Spitalgasse and the connecting Steinmetzgasse, with their tall buildings, in whose ground floors coal dealers, small shop-keepers, dealers in old clothes, and small workmen dwell, while the rest of their room is badly overcrowded with laboring people. A few of the tenements are kept looking neat and clean, and the furniture is somewhat good, but 50 francs ($10) a quarter is asked for a couple of rooms, and this price can be paid only by skilled and well-remunerated mechanics. In general, however, the tenements in these lanes do not answer in any way hygienic requirements. They are cold and damp in winter, and in summer moist and plagued by vermin. Between the old rear houses of the old Fischmarkt and of the Spitalgasse there is a small passage-way, which serves as a place of deposit for all kinds of filth, and gives off a mephitical odor unto heaven. Occasionally a street-cleaner gets this way and, with a careful lookout overhead against unwelcome showers of filth, makes the passage way look a little orderly, but that is all that is done,

Turning now from the south canton to the east canton, we come across a small part of the same lying upon the left bank of the Ill, which is penetrated by the Kalbs, Bruderhofs, Regenbogen, Jungfrauen, and Fasanengassen, and where there are relatively but few working people dwelling in back buildings. But here, too, certain gässen are very foul, such as the Rothfässelgasse and the Medardusgässchen. Filth and disorder prevail, and the tenant pays dearly for the miserable accommodations he gets. For a poorly-lighted, badly-papered or whitewashed room, with a kitchen on whose walls the soot lies fist-thick, and whose tottering beams are hardly able to bear their weight, 30 francs ($6) per quarter must be paid On the other side of the Ill the picture is a sadder one. Here in misery and filth dwell mostly a dead-poor population. It is the same old story I have been relating, of poverty, misery, and dirt. The streets are wider and the air more abundant than in the narrow streets and lanes we have been considering, but otherwise the conditions are the same.

Wandering through the Wilhelmstrasse, behind the Tabachsmanufactur, the eye is caught by the low houses of the Vieh and Dielengässchen, which are but two and three stories in height. They are split up into small tenements and let to laboring people at lower rents than houses more in the town. The rooms are low and badly plastered. The furniture is miserable. The women of these households are for the most part employed in the tobacco factories of Strasburg; and have no time to keep their homes in any order, which are left during the day to the care of the small children. In the Tränkgasse, near by, a better class of people live, but in the Sonnen and Mondgässchen woe becomes pictured again to the life. Outside the houses look fair, but inside a dreadful scene of decay appals the eye. The

walls will no more hold a nail; the ceilings are hardly able to keep the rain from trickling through. Each room has up to eight inmates. Besides the lowest proletarians, many skilled workmen and mechanics dwell here, as do large numbers of the smiths, locksmiths, and saddlers employed in the arsenal. Miserable, also, appear the narrow, short lanes of the airy Krutenau and Züricherstrassen, as do those of the Langenstrasse.

By far the most miserable looking set of houses are those frequently met with in the Sackgässchen, in the east canton. There are about fifty buildings of the kind in Strasburg, about twenty of which are in the east canton. The hills of London, so masterly depicted by Dickens in his novels, have in Strasburg, in these buildings, faithful counterparts. In three, four, or more houses over 100 working people constantly dwell, belonging to the worst poverty-stricken classes. Five or more persons generally occupy a room, with usually but two beds to a room. There is no family in them that is able to afford the luxury of renting two rooms. All the houses are old and falling to pieces; the rain comes through the wretched walls; the windows which have been plastered over, let in the wind and rain; the floors, long since worn out, are covered by a thick layer of earth. Here was a habitation, for instance, for the sum of 25 francs ($5), with a partition towards the court, from which a horrid stench arose, having foundation walls on three sides, on which hung the shreds or remains of wall-paper, and on the fourth a wooden wall with gaping openings in it. From the dilapidated chimney the smoke streamed into the room. Before a rickety stove squatted a woman, the wife of a wall-paper printer, around whom hovered three half-clothed, dirty children, greedily eyeing an undefinable midday meal that was being prepared by the mother. An old bureau, a few broken-backed chairs, and a bedstead, with a dirty mattress through which the straw peers, formed the sole furniture of the room. On the other side of the court, or yard, in which lie heaps of sweepings, ashes, broken pots, and old rags saturated with water from a neighboring privy, there is a triangular corner shut off by a door, which is lighted by a window. Here, with no stove to make this hole comfortable, dwell the family, consisting of 5 persons, of an unemployed stonemason, who pay 18 francs ($3.50) a quarter for their horrible shelter.

Other gässchen exhibit similar pictures; the second stories of their houses occupied by skilled workmen, the third and fourth stories filled by a seething mass of most poverty-stricken wretches, dwelling together, overcrowded in rooms covered with mildew and threatening to fall in any minute.

But we will not pursue the description any further. Let the imagination picture, with as evil an eye as it can summon to its aid, the very poorest dwelling, overcrowded, under the very worst conditions, and it can hardly fail to conjure up a faithful reflection of the homes of the dead-poor of Strasburg.

I append hereto, as inclosure 35, a map of Strasburg, showing the districts I have been describing.

CHEMNITZ.

[Taken from a paper by Dr. Dittrich, a city councilman.]

Chemnitz is situated in a fertile plain at the base of the Erzgebirge, about 1,000 feet above the level of the sea, with a population

of 110,817, and is one of the most important manufacturing places in Germany, stockings, gloves, woven goods, and machinery being understood to be largely manufactured.

The country about Chemnitz is rolling and hilly, with broad plains, and the city covers an area of about 3,937 acres, 790 of which, adjoining the built-up area, and belonging to the town, are covered by forest trees (mostly coniferous), and there are about 125 acres of public promenades and squares.

Chemnitz is an old place, having been a settlement of the ancient Wends, but has extensively grown only during the present century, having run from 10,800 inhabitants in 1800 to 110,817 in 1885. Of the old town there is consequently little.

For the most part the city, it is said, has streets having good widths, and for some time past the chief streets have been required to have a width of at least 69 feet, and the other streets to be 56 feet wide. In the old town also the streets have been enlarged to a certain extent. Trees, too, are represented to have been planted in the streets and squares to a considerable extent.

Almost all the houses of the city are provided with privy sinks or wells, instead of having the excrement carried off by the sewers, which are emptied (in the odorless manner, I suppose) at the pleasure of the owners of the houses. The waste from the privies is not allowed to flow into the sewers except in exceptional cases, and it must then be thoroughly disinfected. This regulation, Dr. Dittrich thinks, can not be kept up.

The city is well provided with water, but about one-fourth of its houses are not connected with the water mains.

The hilly nature of the ground upon which Chemnitz rests makes the entrance of air into its various parts easy, and the city is said to know no unhealthy quarters. There are also no really large working-men's quarters, as the working people are scattered over the whole city, and only predominate in a few streets. This comes about from the factories being in all parts of the place.

Building has been active, and many houses have been put up for the working people, and tenements erected for the better class of people have been converted into working-men's tenements, because of a lack of demand for them by the class of people for whom they were originally intended. To all appearance there is no pressing lack of small tenements at the present time.

Up to 1860 the houses of Chemnitz were as a rule not more than three stories high, but since then, in consequence of the enhanced value of building ground, the tendency has been to construct higher ones.

For Chemnitz no general statistics could be given respecting the tenements of its people; but for the purpose of showing the rents paid by the poor Dr. Dittrich took one of the most populated streets of the city, in which almost only working-men dwelt. In 30 five-story houses on this street there were 572 tenements, with 1,246 rooms, of which tenements 4 only were standing empty. The remaining 568 had 2,511 inmates, or 83.70 persons to a house. There were on an average 2.18 rooms to a tenement and 2.02 inmates to a room. The tenements had all at least one room that could be heated; 508 of them but one room that could be heated; 27 of the tenements consisted of only one room that could be heated and a kitchen; 26 of two rooms that could be heated; 10 of two rooms that could be heated and a kitchen; and one of three rooms that could be heated and a kitchen.

There was no cellar tenement among them. For 400 of these tenements, according to the tax register, $22 to $40 a year rent was paid; for 32 less than $22, and for the rest more than $40 a year.

Cellar tenements are seldom met with in Chemnitz, but of garret ones there are a multitude.

The most of the tenements of the working people consist of but two rooms, and as a consequence, in the case of large families, there is a good deal of sleeping of the two sexes together.

Since 1885 Chemnitz has a new set of improved building regulations.

Since 1883 the Saxon Machine Factory, at Chemnitz, an incorporated company, has provided for the housing of its employés by letting tenements to them at reasonable rates. It has eight single and four double houses for this purpose, in which are dwelling about 140 persons, on a piece of ground not far from the woods, and in the neighborhood of the factory. The houses seem to be two stories high and have gardens around them, and contain four and two tenements each, respectively, with at least three rooms to a tenement.

There is also an incorporated association in Chemnitz whose object is to sell or rent to its members homes on fair terms. The admission fee to membership is about 12 cents, and each member is obliged to subscribe for at least one share of stock, whose value is fixed at about $50, and is to be paid for in ten years, in weekly installments of 10 cents. Any member can take up to ten shares of stock, but can not carry any more without express permission from the directors of the association. The association is supposed to wind up in ten years, and during this time no member can draw out his deposits. Connection with the association is dissolved by death, removal from the limits of Chemnitz, or by expulsion. In the case of death, all sums paid in and profits accruing are paid to the representatives of the deceased; in the case of removal the same is done, less 10 per cent.; but in the case of expulsion no return is made, Expulsion is for failure eight weeks in succession to pay dues; but in case of sickness, lack of employment, compulsory military service, and the like, a member's obligation to pay will be temporarily suspended. Transfers of stock are also permitted. At the end of ten years a member who has not become bound to the association by a purchase or lease receives back the amounts paid in by him, with interest. The money received by the association is used in buying ground and putting up small houses for the benefit of its members. The profits are divided among the members, after 10 per cent. has been deducted for the reserve fund. The association, however, has not been long in operation, and its practicality can not therefore yet be passed upon. It has four hundred and fifty members. In disposing of its property it reserves the right to buy it back before it can pass over to a party not a member of it.

ELBERFELD.

[From a paper by Mr. Ernst, a member of the city magistracy and chief of the poor department.]

Elberfeld is adjacent to Barmen, and the two together might readily form one place. The former has a population of 106,499 by the census of 1885, and the latter 103,068 inhabitants. Extensive manufacturing is carried on at them.

Elberfeld extends from east to west in the valley of the Wupper, situated upon both sides of that stream, upon the right or north

bank of which the greater part of the town lies. It is adjoined to the city of Barmen on the east. An extension of the town was formerly possible only toward the west, in the plain of the valley, as on the south and north heights had to be ascended; but this difficulty has since been overcome, and hill as well as valley is now built upon.

The houses of Elberfeld are understood to be for the most part three stories high, with a garret in addition. Houses four stories in height and higher are said to be seldom met with, and are a product of recent years. The poor people live mostly in the northern part of the town in old houses and narrow streets. The new quarters rest more upon the hillsides, have rooms more spacious and more open to the air, and oftentimes have gardens about them. In the northeastern part of the town, where many people of small means live, the situation is also favorable. This part of the town lies high and has much free space and many gardens. In the center of the town are the business houses. Here the streets are very narrow and compactly built up. Of large free squares the city has few, but on the heights overlooking it there are woods, and in them parks have been laid out. To commemorate the twenty-fifth year of rule of the late King of Prussia the sum of $25,000 was set apart to purchase additional forests for park purposes.

The building regulations of 1886 provide that in all new buildings to be used as dwellings the rooms must be at least 3 meters (9⅞ feet) high, and garret rooms used to live, sleep, or work in be at least 2.5 meters high (8⅛ feet). Dwelling-houses are not permitted to be more than five stories high, and lots are not allowed to be built on beyond three-fourths of their area.

It has been customary at Elberfeld to rent by the year with half a year's notice before removal, but this length of time has been largely done away with in the case of the poor. Rooms can now be got for from one to three months, and even for a week, with payment of rent in advance. When this condition is not complied with the tenants are ousted. There are hardly enough tenements for the demand, and for this reason landlords, it is said, do not long temporize with delinquent tenants, but put them out at once. The result is that there are always, not only on the regular moving days, but at other times, families on the street without any place of shelter, who have to be provided for by the town until new quarters are obtained.

The population of Elberfeld seems to increase faster than do the houses for their shelter, as appears by the following table, according to census returns:

	Population.	Households.	Dwelling-houses.		Population.	Households.	Dwelling-houses.
1871	71,775	15,562	4,340	1880	98,538	20,367	5,722
1875	80,599	17,679	5,238	1885	106,492	22,741	6,118

Average number of households and persons to each house:

	Households.	Persons.		Households.	Persons.
1871	3.59	16.54	1880	3.55	16.29
1875	3.88	15.39	1885	3.72	17.41

From which it appears that the increase has been as follows:

	Population.	Households.	Dwelling-houses.		Population.	Households.	Dwelling-houses.
	Per cent.	*Per cent.*	*Per cent.*		*Per cent.*	*Per cent.*	*Per cent.*
From 1871 to 1875...	12.29	18.60	20.62	From 1880 to 1885..	13.84	11.65	6.55
From 1875 to 1880...	16.05	15.20	9.62	From 1871 to 1885..	48.36	46.13	40.96

Compared to other cities the number of persons to a house in Elberfeld in 1871 was as follows:

To each dwelling-house there were in—

	Persons.		Persons.
Elberfeld	16.5	Dusseldorf	16.5
Kassel	24.7	Essen	15.4
Dortmund	18.8	Cologne	14.7
Hanover	18.3	Crefeld	14.1
Barmen	17.9	Duisberg	12.2
Aix-la-Chapelle	17.5		

The writer on Elberfeld calculates that one-fifth of the poor man's income goes for rent. He calculates that the wages of an Elberfeld workman average 15 marks ($3.75) a week, which would make 150 marks ($37) the average amount of rent paid a year by him. This is thought to be the extreme limit to which he can go. The landlords' union of the town estimates the price of rooms for working people to be per annum as follows:

In the first, second, and third stories 60 to 90 marks ($15 to $22). Average, 75 marks ($18¾). A loft room 40 to 60 marks ($10 to $15). Average, 50 mark ($12½).

A working-man and his family ought to have at least two good-sized rooms, which is about all he can get for his 150 marks a year. A large number of working-men's families whose incomes do not reach 15 marks a week have hence a good deal of difficulty in procuring dwelling places for their families.

The overseers of the poor of the twenty-six relief districts of the town were asked by Mr. Ernst, the author of the article on Elberfeld, to state what the persons receiving assistance paid for rent. According to them there were 710 tenements containing assisted poor, 313 of which held single persons and 397 households. Of the tenements containing single persons, 124 were in different stories, and 187 in lofts, 48 consisting of two rooms each and 265 of but one. The average rent amounted to 58.60 marks a year ($14.65).

Of the tenements occupied by families 112 consisted of but one room each, holding altogether 381 tenants, or 3.4 to a room on the average. These tenements brought 65.90 marks ($16.47).

There were 256 families, embracing 1,187 persons, living in two rooms to a family, or 2.3 persons to a room on the average. Such tenements rented for 104.53 marks ($26.13) a year.

Of families having three rooms there were 24, embracing 136 persons, or on an average 1.89 persons to a room. Of the tenements occupied by them two were on the ground floor, eleven in stories, ten in lofts, and one with rooms scattered over the house. These tenements cost 122.60 marks per annum ($30.65) on the average each.

Dwelling in four rooms were 5 families composed of 26 persons.

Of their five tenements one was entirely on the ground floor, one entirely in one story, and the other three scattered over the house.

Of the tenements consisting of one and two rooms, amounting in number to 368, one-half of them, 180, were of slight worth, 9 of them being in the cellar, and 171 in the loft.

Reckoning all the above together we find 397 families, numbering 1,730 members, occupying 716 rooms, or an average of 2.42 persons to a room, paying an annual rental of 93 marks ($23) for every 1.78 room.

Of the 710 tenements under consideration 45 were pronounced unhealthy and; 31 as bad thus 76, or 11 per cent. of the whole number, as unfit for habitation.

The writer on Elberfeld sums up his conclusions as follows:

(1) That the public arrangements for the furtherance of health and well-being are good and are being perfected all the time.

(2) That the erection of dwelling-houses has not kept pace with the increase in population.

(3) That there is a great lack of small and good tenements.

(4) That the average price of a tenement for the working-man which answers his most modest requirements amounts to one-fifth of his wages, and that a greater expenditure exceeds his capacity to bear.

(5) That the cheap tenements, with few exceptions, do not suffice to meet the demands of good order and morals.

(6) That a large number of the cheap tenements are unfit to be dwelt in because of their inferiority and unhealthfulness.

Several efforts have been made by building associations for providing the poor of Elberfeld with comfortable habitations, but not much has been accomplished.

CREFELD.

[From a paper by Mr. L. F. Seyffardt, of Crefeld.]

Concerning Crefeld (population 90,236 in 1885 against 73,872 in 1880) little is said in the publication before me. It is a very important manufacturing place, being the seat of the German silk and velvet industries, but the stranger passing through its streets, it is said, would hardly take it to be an industrial town, did he not go into the manufacturing quarter.

In former times the cheap tenements of the working population were scattered all over the town, while now this class of people live more together, in particular parts of the city. These localities are said to be quite openly built, to be well provided with squares and possessed of a sufficient number of trees. Some have small gardens, but there is a less number of these gardens than in previous years.

Tenements unhealthy in themselves are represented not to exist, as for some twenty years the police have been making an energetic warfare on all conditions unfavorable to health, with much success.

The city has no bureau of statistics, and full statistics respecting the manner in which its people live are not at hand. According to the guardians of the poor the rents paid by the poor may be divided into five classes, as follows:

(1) For a garret room, 60 marks ($15) a year. Income of such a tenant is reckoned at 300 marks ($75) per annum. Proportion of rent to income, 20 per cent. The incomes in the case of people living in such rooms who receive alms from the city is put at 200 marks ($50).

(2) For one room in some regular story, $22. Income, $112 a year. Thus 20 per cent. of income paid for rent. The incomes in the case of people living in such rooms who receive aid from the city is put at $75.

(3) For one room in some regular story, with a garret room in addition, $30. Income, $150 a year; 20 per cent. of income paid for rent. Income in case of assisted persons, $100.

(4) For two rooms in a regular story, $37. Income, $200 a year; 18¾ per cent. of income paid as rent. Income of those assisted, $125.

(5) For two regular rooms with a garret room, $45. Income, $250 a year; rate of rent thereto, 18 per cent.

Of empty tenements there are none to speak of, they say.

The practice at Crefeld is to rent for six months with three months' notice of removal, with the right reserved by the landlords to evict as soon as the rent is in arrears. Efforts have been made to reduce the length of time to one month, but with little success. Only the very meanest places are rented in this way.

About fifty cases of eviction occur a year, and about ten cases of necessity for temporary shelter by the city.

Overcrowding of tenements is also complained of at Crefeld. The day laborers and factory operatives there have often but one room for themselves and family.

DORTMUND.

[From a paper by Mr. Arnecke, the second burgomaster of the place.]

Dortmund is situated in Westphalia, in a level country, and is also one of the towns which has sprung up during the present century. In 1840 it had a population of 7,205, which in 1885 had swelled to 78,435.

The city's development is due chiefly to the coal mines and iron works around it, it being the central point of a mining district and the headquarters of the mining authorities of Westphalia. In former times business was very active there, but since 1875 has been in rather a depressed state, though renewed activity began last year.

In 1885 there were about 14,500 male workmen in constant employment in the different industries of Dortmund.

According to the statistics of the Prussian Government the entire amount of direct taxes paid per capita in the twenty largest cities of the kingdom was as follows:

Berlin	$3.85	Elberfeld	$2 00
Breslau	3.10	Stettin	2.80
Cologne	4.35	Altona	1.65
Königsberg	2.25	Aix-le-Chapelle	2.65
Frankfort-on-the-Main	5.45	Crefeld	1.60
Hanover	2.55	Halle	2.30
Dantzic	2.00	Dortmund	1.35
Magdeburg	3.80	Posen	2.50
Barmen	1.50	Kassel	2.95
Dusseldorf	2.25	Essen	1.80

From this it appears that the lowest average amount per capita among these cities was paid by Dortmund.

Back buildings play a subordinate role among the dwelling-houses of Dortmund.

In 1885, with a population of 78,435, the number of dwelling-houses at Dortmund was 4,145, which makes the average number of persons to a house 19.

Dortmund contains 183 streets and ways, including open squares. The width of 133 of these are given, and are set forth as follows :

	Streets or ways.
Less than 13.12 feet wide	7
From 13.12 to 14.7	12
14.7 to 16.4	31
16.4 to 18	12
18 to 19.7	15
19.7 to 21.3	3
21.3 to 23	14
23 to 24.6	11
24.6 to 26.2	6
26.2 to 28	2
28 to 29.5	7
29.5 to 31.2	3
31.2 to 32.8	8
32.8 to 34.4	5
34.4 to 36.1	5
36.1 to 37.7	41
37.7 to 39.4	5
39.4 to 41	5
41 to 42.6	3
42.6 to 44.3	2
44.3 to 46	1
46 to 47.5	1
47.5 to 49.2	5
More than 49	5
Total	*209

Whenever opportunity offers these streets are improved.

Dortmund was built up without much plan and little attention was paid to regularity, solidity, and sewerage of the streets.

It has been said that the city possesses 4,145 dwelling-houses. Of these 3,367 are connected with the water-mains, which were laid in 1871 and 1872. Good sewerage it has had since 1881, when sewers were constructed at considerable cost.

The most of the houses of Dortmund have been built in the last forty-five years, and consequently answer better the requirements of to-day than those of the old town, where there are quite a number of old and miserable houses with low stories, small rooms, forbidding-looking entrances, with courts and back buildings not very suitable for dwelling places. The workingmen's houses consist as a rule of a ground floor and two upper stories, though they are met with from three to five stories high. The cellars are used only for saloons and restaurants but not for dwelling purposes.

A good many of the houses of Dortmund have been built dearly under speculative impulses, and not very solidly. A great many of them were put up with borrowed money and on great expectations, and when the long business depression came to hand many sales had to be made at a sacrifice, accompanied by declines in rents.

The new building regulations of the city made in 1885 do not permit houses to be built higher than the width of the streets on which they are situated, except on streets less than 33 feet wide, when they may be run up to 33 feet. The rooms in new buildings must have a height of 10 feet, though rooms in intermediate stories may be given a height of only $8\frac{1}{2}$ feet.

A number of the iron-works, etc., at Dortmund have tenement houses for their employés, whose number, rent paid, inmates, etc., will be seen from the following table :

*This is as Mr. Smith wrote it, but there is evidently some miscalculation.

Establishments.	Year built.	Number of houses.	Number of workmen employed, including members of their families.	Inhabitants of houses.	Per cent. to whole number of people.	Area built upon. A.	Area built upon. M.	Court-yard. A.	Court-yard. M.	Garden. A.	Garden. M	Selling price or value of ground.	Cost of building.	Total value of grounds and buildings.	How much?	Location of privy.	Connected with sewerage.	Connected with water pipes.	Having gas.	Cellared.
												Dolls.	*Dolls.*	*Dolls.*						
Rothe Erde Iron Works	1856–'57	1	624	195	31.1	..	90	1	52	16	70	.....	.....	(2)	1	House	Yes.	Yes.	No	Yes.
		7				..	85	....	85						11	Court.	Yes.	Yes.	No	Yes.
Wagner & Co., tool and machine manufacturers	1865	1	831	238	28.6	3	27	2	60	10	....	.....	.....	.....	6	House	No..	Yes.	No	Yes.
		1				2	75	1	50	12	....	.....	.....	.....	6	House	No..	Yes.	Yes	Yes.
		1				1	70	....	50	8	60	.....	.....	.....	4	House	No..	Yes.	No	Yes.
		7				1	52	....	50	6–10	....	.....	.....	.....	4	House	Yes.	Yes.	No	Yes.
Wagner & Co., zinc foundry	1870–'73	33	978	410	41.9	....	75	..	83	1	63	136	2,000	2,136	1	Court.	No..	No..	No	Yes.
Deutschland Machine Works	1872–'73	3	633	114	18.0	....	82	1	06	.....	.....	148	17,200	17,598	8	Court.	Yes.	Yes.	No	Yes.
		11				....	39	....	57	2	12	539	15,675	16,214	2	Court.	Yes.	Yes.	No	Yes.
Hoesch Iron and Steel Works	1872–'73	16	3,435	257	7.5	..	80	1	90	.....	.....	.....	.....	.....	2	Court.	Yes.	Yes.	No	Yes.
	1872–'73	4				3	96	8	....	.....	.....	.....	.....	.....	2	Court.	Yes.	Yes.	No	Yes.
	1883–'85	4				3	75	13	....	.....	.....	.....	.....	.....	2	Court.	Yes.	Yes.	No	Yes.
Tremonia Mine	1874	11	1,122	368	32.8	1	62	2	57	1	33	300	2,250	2,565	4	Court.	No..	Yes.	No	Yes.
Union Stock Company, for mining, iron and steel manufacturing	1856,	16	8,046	1715	21.3	....	....	....	....	1	80	.....	.....	.....	2	Court.	No..	No..	No	Yes.
	1873	116								1	80	.....	.....	.....	1	Court.	No..	No..	No	Yes.
Eisenbahnfiscus, formerly Cologne, Minden and Rhenish Railway	.....	16	.....	.....	.....	....	....	....	....	....	....	.....	.....	.....	....	.....	.....	.....	....	

[1] Double houses.

[2] Together

Establishments.	Number of houses.	Ground floor.					Second story.					Third story.					Garret.				
		Height in meters.[1]	Number of tenements.	Each tenement consists of rooms—	Annual rent for each tenement.		Height.	Number of tenements.	Each tenement consists of rooms—	Annual rent for each tenement.		Height.	Number of tenements.	Each tenement consists of rooms—	Annual rent for each tenement.		Height.	Number of tenements.	Each tenement consists of rooms—	Annual rent for each tenement.	
					1886.	1882.				1886.	1882.				1886.	1882.				1886.	1882.
					Dolls.	*Dolls.*				*Dolls.*	*Dolls.*				*Dolls.*	*Dolls.*				*Dolls.*	*Dolls.*
Rothe Erde Iron Works	1	3.10	1	3	75	75	2.68	....	3	.....	.....	2.68	....	3	.....	.....	2.60	....	2	.....	.....
	1	3.10	1	2	15	15															
	1	3.10	.....	.....	.....	.....	2.68	1	3	22	22	2.68	1	3	22	22	.....	.....	.....	.....	.....
	3	3.10	1	3	30	30	2.68	1	3	30	30	2.68	1	2	15	15	.....	.....	.....	.....	.....
	2	3.10	1	3	30	30	2.68	1	3	30	30	2.68	1	3	22	22	.....	.....	.....	.....	.....
	1	3.10	1	2	18	18	2.68	1	3	22	22	2.68	1	3	22	22	.....	.....	.....	.....	.....
Wagner & Co., tool and machine manufacturers	1	3.4	1	6	140	140	3.1	1	6	75	75	.....	.....	.....	.....	.....	2.4	3	2	15	15
	1	3.1	2	4	75	75	3.1	2	1	15	15	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	1	2.9	2	2	28	28	2.9	1	8	150	150	2.8	1	4	75	75	2.4	1	2	15	15
	1	2.9	1	3	36	36	2.9	2	2	28	28	.....	2	2	15	15	.....	.....	.....	.....	.....
			1	2	28	28	2.9	1	3	36	36	.....	.....	.....	.....	.....	2.4	1	4	30	30
	6	2.9	2	2	28	28	2.9	1	2	28	28	.....	.....	.....	.....	.....	2.4	2	2	15	15
							2.9	2	2	28	28	.....	.....	.....	.....	.....	2.4	2	2	15	15
Wagner & Co., zinc foundry	33	2.85	1	3	21	27	2.85	1	3	21	27	.....	.....	.....	.....	.....	2.45	2	1	9	9
Deutschland Machine Works	3[2]	4	2	2	30	30	4	2	2	30	30	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	1	5	1	men-age.	150	150	5	1	9	60	60	5	2	4	30	30	.....	.....	.....	([3])	([3])
Hoesch Iron and Steel Works	16	3.14	1	3	.....	.....	3.14	1	3[4]	.....	.....	.....	.....	.....	.....	.....	2.5	....	2	([5])	([5])
	4	3.25	1	4	.....	.....	3.25	1	4	.....	.....	.....	.....	.....	.....	.....	2.5	....	2	([5])	([5])
	4	3.14	1	2	.....	.....	3.14	1	2	.....	.....	.....	.....	.....	.....	.....	2.4	....	1	([5])	([5])
Tremonia mine	11	2.80	4	2	27	27	.....	.....	.....	([6])	([6])	.....	.....	.....	.....	.....	2.6	....	3	([5])	([5])
Union Stock Company, for mining, iron and steel manufacturing	16	3.10	1	3	27	27	3.5	1	3	24	24	.....	.....	.....	.....	.....	2.5	1	3	7	7
	116	3.10	1	3	27,24	27,24	3.5	1	3	16,13	16,13	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Eisenbahnfiscus, formerly Cologne, Minden and Rhenish Railway	16	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

[1] A meter = 3.28 feet.
[2] Double houses.
[3] Belong to the tenements of the ground floor and second story.
[4] Kitchen for washing.
[5] The like falls to the tenements of the ground floor and second story.
[6] Belonging to the ground floor.

In some of the tenements the small officials live.

There were 161 tenements in 1885 in the town rented to working people who did not receive any aid from its poor-fund. These contained 395 rooms altogether, occupied by 834 persons, or 2.3 rooms and 5.2 persons on the average to a tenement.

By persons receiving some assistance from the city there were 498 tenements held, having 1,642 inmates. In this case there were on an average 1.8 rooms and 3.3 persons to a tenement.

How many members there were to each family and how many rooms each family had in the case of both assisted and unassisted are set forth in a detailed way by the following tables:

Unassisted.	Number of tenements.	Four rooms.	Per cent.	Three rooms.	Per cent.	Two rooms.	Per cent.	One room.	Per cent.
Families of 6 members and more	52	4	8	27	52	20	38	1	2
Families of 5 members	39	2	5	10	25	27	70	.....	.....
Families of 4 members	27	2	7	5	19	19	70	1	4
Families of 3 members	26	1	4	8	31	17	65	.....	.....
	144	9	6	50	35	83	58	2	1
Families of 2 members	15	.....	.....	4	27	10	67	1	6
	159	9	6	54	34	93	58	3	2
Single persons	2	.....	.....	.....	.....	.....	.....	2	100
	161	9	6	54	34	93	58	5	3

Assisted poor.	Number of tenements.	Three rooms.	Per cent.	Two rooms.	Per cent.	One room.	Per cent.
Families of 6 members and more	70	18	26	45	64	7	10
Families of 5 members	58	8	14	38	65	12	21
Families of 4 members	98	12	12	65	66	21	22
Families of 3 members	78	12	15	44	56	22	29
	304	54	15	231	63	79	22
Single persons	194	6	4	26	20	102	76
	498	60	12	257	52	181	36

Other points are exhibited by this table:

In the case of unassisted families.	161 tenements.		498 tenements.	
	No.	Per cent.	No.	Per cent.
Tenements having—				
Cellar room	150	93.2	294	59
Stable room	43	26.7	59	11.8
Garden attached	9	5.6	25	5
Privy in the house	92	57.1	118	23.7
Privy in the yard	69	42.9	380	76.3
Water in the house	152	94.4	399	80

According to the statistics of 1885 there were 860 persons in Dortmund giving board and renting rooms, having 973 rooms to rent and 1,859 boarders and roomers. Rents are set forth by the following table:

AMOUNT OF RENT.

	Tenements rented in private houses by unassisted workmen.					Tenements rented in association houses by unassisted workmen.					Tenements occupied by assisted poor.				
	Number.	Highest rent.	Lowest rent.	Average rent.	Average rent per room.	Number.	Highest rent.	Lowest rent.	Average rent.	Average rent per room.	Number.	Highest rent.	Lowest rent.	Average rent.	Average rent per room.
GROUND FLOOR, FIRST STORY.		*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*		*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*		*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*
4 rooms with small side room, cellar, stable, and store-room	3	67	30	53	13.25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4 rooms without small side room, cellar, stable, and store-room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3 rooms with small side room, cellar, stable, and store-room	13	54	30	45	15.00	7	48	25	38	12.75	11	52	12	24	8.00
3 rooms without small side room, cellar, stable, and store-room	1	30	30	30	10.00	.....	.....	.....	.....	.....	1	30	30	30	10.00
2 rooms with small side room, cellar, stable, and store-room	20	39	15	30	14.75	5	39	33	36	18.00	29	41	7	27	14.50
2 rooms without small side room, cellar, stable, and store-room	1	24	24	24	12.00	6	33	24	28	14.00	5	30	9	18	9.25
1 rooms with small side room, cellar, stable, and store-room	1	20	20	20	20.00	.....	.....	.....	.....	.....	9	37	11	17	17.25
1 room without small side room, cellar, stable, and store-room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10	16	6	11	11.25
	39					18					65				
SECOND STORY.															
4 rooms with small side room	1	30	30	30	7.50	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4 rooms without small side room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3 rooms with small side room	13	54	23	40	13.25	3	42	33	37	12.50	12	45	19	34	11.25
3 rooms without small side room	.....	.....	.....	.....	.....	4	39	37	38	12.50	.....	.....	.....	.....	.....
2 rooms with small side room	34	41	17	31	15.75	9	36	23	121	15.00	33	43	10	25	12.50
2 rooms without small side room	1	13	13	13	13.00	4	33	24	30	15.00	6	30	9	21	11.00
1 room with small side room	1	19	19	19	19.00	.....	.....	.....	.....	.....	12	25	7	13	12.70
1 room without small side room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	16	24	6	11	11.00
	50					20					79				
THIRD STORY.															
4 rooms with small side room	2	57	31	45	11.25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4 rooms without small side room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3 rooms with small side room	14	54	17	41	13.50	6	39	36	37	12.50	15	52	7	28	9.25
3 rooms without small side room	.....	.....	.....	.....	.....	1	34	34	34	11.50	.....	.....	.....	.....	.....
2 rooms with small side room	25	41	15	30	15.25	5	36	25	30	14.75	18	36	15	21	10.78
2 rooms without small side room	.....	.....	.....	.....	.....	6	41	27	29	14.50	11	41	13	23	11.75
1 room with small side room	1	26	26	26	26.00	.....	.....	.....	.....	.....	6	31	10	18	18.00
1 room without small side room	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	20	22	6	11	11.00
	42					18					70				

FOURTH AND FIFTH STORIES.															
4 rooms with small side room															
4 rooms without small side room															
3 rooms with small side room	8	31	30	30	15.00						4	34	18	21	7.00
3 rooms without small side room											2	37	24	31	10.00
2 rooms with small side room											10	26	15	19	9.50
2 rooms without small side room											2	18	17	18	9.00
1 room with small side room											4	15	7	11	11.00
1 room without small side room											10	20	7	11	11.00
	8										32				
GARRET.															
4 rooms with small side room	1	27	27	27	6.75										
4 rooms without small side room															
3 rooms with small side room	7	36	22	27	9.00						9	33	15	41	7.00
3 rooms without small side room	7	15	15	15	5.00	5	27	18	23	7.50	3	7	7	7	2.50
2 rooms with small side room	9	28	15	22	11.00	2	47	19	21	10.50	101	30	7	18	9.25
2 rooms without small side room	4	22	9	18	9.00	12	21	19	18	9.00	38	26	7	17	8.50
1 room with small side room											20	22	6	12	12.00
1 room without small side room	3	13	7	10	10.00	1	6	6	6	6.00	64	18	6	10	10.00
	25					20					235				
	159					76					481				

The percentage of rent to income is made out to be as follows:

Number of members to family.	Tenements in association houses.				Tenements in private houses.				Tenements in association houses.					Tenements in private houses.				
	Number of families.	Rate per cent. to income.			Number of families.	Rate per cent. to income.			Rate per cent. to income.									
		Highest.	Lowest.	Average.		Highest.	Lowest.	Average.	Under 10 per cent.	10 to 15 per cent. inclusive.	15 to 20 per cent.	20 to 25 per cent.	Over 25 per cent.	Under 10 per cent.	10 to 15 per cent. inclusive.	15 to 20 per cent.	20 to 25 per cent.	Over 25 per cent.
9 and more	3	26	10.7	15.6	3	26	13.5	17.4	.....	2	.....	.....	1	.....	2	.....	.....	1
8	5	26	13	19	7	31.6	15	21.8	.....	1	1	2	1	.....	1	2	2	2
7	8	40	12	19.8	14	40	14.2	20.5	.....	1	3	3	1	.....	2	5	3	4
6	6	22	12.8	16.8	19	60	12	19.9	.....	3	1	2	.....	1	4	6	3	5
5	9	25	11.5	17.7	34	53.3	8.5	18.8	.....	2	2	5	.....	1	12	11	6	4
4	10	37.5	8	19.2	22	42	11.3	20.9	1	2	3	2	2	.....	6	6	4	3
3	4	36	8	16.7	25	40	10	19.2	1	2	.....	.....	1	.....	6	11	5	3
2	4	19.5	15	16.6	14	26	9	16.6	.....	1	3	.....	.....	3	2	5	3	1
1	2	22	14	16	1	9	9	9	.....	1	.....	1	.....	1	.....	.....	.....	.....
	51	.....	.....	18.3	139	.....	.....	19.4	2	15	13	15	6	6	35	46	26	26

The conclusions the writer on Dortmund arrives at are:

(1) That there is a lack of suitable rooms for dwelling purposes.

(2) A lack of appurtenances.

(3) Defectiveness in size of rooms and the manner in which they are constructed.

(4) That the rents are out of all proportion to the incomes of tenants and entirely too high.

The average death rate of Dortmund from 1875 to 1885 was 29.8 per thousand inhabitants, including still births, or 27.9 without them.

ESSEN ON THE RUHR.

[By the city building inspector, Mr. Wiebe.]

This is a place of about 65,000 inhabitants which has grown up during the present century, having been in 1803 a village of 3,480 inhabitants. Its people are largely interested in coal mining and iron founding, one of the most important establishments there being the works of the Krupps, where mammoth cannons are cast, who alone employ about 12,000 workmen. The population of the town is made up largely of working people.

Owing to the influence and benevolence of the Krupps at this place, its working people are pretty well housed. Those working for the Krupps live in what are known as colonies or collections of houses, of which there are six. These colonies are in healthy situations and the buildings constructed to freely admit air and light. Numerous and airy streets, planted for the most part with trees, pass through these colonies and often open into large free squares. Besides the Krupps, a large rolling-mill at Essen has also a colony for its employés.

The numerous working people of Essen not employed by the firms just mentioned, among whom are many miners, live scattered all over the town but chiefly in streets whose houses consist throughout of workingmen's tenements. Such streets lie for the most part on the outskirts of the town. In the northwestern part of the town two complete workingmen's quarters are formed by them, through which the Rhenish Railroad runs. The situation of these tenements is not altogether a favorable one, as they get the smoke from the Krupp works whenever the wind blows in certain directions. Their streets are 33 feet wide, and many of the houses have small gardens attached to them wherein vegetables are grown by the working people.

All through Essen the houses are quite healthily situated and almost all of them have gardens of large or small size. Oftentimes their occupants have patches of land near their habitations which they have rented to cultivate. Some of the houses have stalls belonging to them, where goats and swine can be kept.

In the center of the town the streets are very narrow, in fact so very much so that some of them can not be driven through. Where this is the case the houses are very inferiorly built, and the light and air bad.

It is said that two-thirds of the inhabitants of Essen are working people. The town had 4,298 dwelling-houses in 1880, of which three-fifths, or 2,560, contained working-men's tenements. The greater part of these working-men's tenements have been constructed in the last twenty-five years, and if the old building regulations under which they were put up left much to be desired with respect to sanitary re-

quirements, the manner in which they were built, it is said, is on the whole not positively injurious to health.

Under these old regulations all rooms intended for habitation were required to have a height of at least 8½ feet, and all on the ground floor fronting the street a height of 11½ feet, and in the first upper story a height of at least 10½ feet. Now Essen has a new set of building regulations containing stricter sanitary provisions, according to which building lots are not to be built on beyond three-fourths of their entire area and each lot is to have a court of at least 387 square feet. The height of the houses, as a rule, is not to exceed the width of the street on which they are located, although on streets 26 to 42½ feet wide houses can be erected reaching unto 42½ feet. In smaller streets the houses can be 33 feet high. All rooms used for daily occupancy must be at least 8 feet high. Those on public streets and squares must have on the ground floor a height of 11½ feet and in the upper stories 10½ feet. Tenements having no cellars must have under the ground floor 4 7/10 inches of water-tight masonry, béton, or a layer of cement or hydraulic mortar 4 inches below the flooring. The inclosure and inner walls of all tenements are to be protected from the moisture of the earth by a strong layer of asphalt at least one-fourth of an inch thick, the layer not to be put lower than 12 inches above the surface of the ground. Tenements which are situated partly under the earth are to be allowed only when the flooring is at least 12 inches above the highest ground water-mark and never to go deeper than 19½ inches below the surrounding earth. The floor and the walls must then be protected from the moisture of the earth by double masonry, with effective layers of asphalt. Dark rooms or rooms which have no window of proper size opening out into the open air can not be used to live in. The windows are considered of sufficient size when there is at least 10.75 square feet of window to 1,586 cubic feet of room. Privy sinks must be made water and air tight.

Essen is now supplied with drinking-water from near the banks of the Ruhr.

The old houses inhabited by the working people contain frequently only a cellar, ground floor, and garret story. The new buildings, on the other hand, contain a cellar, ground floor, and a story above that, and also another story still, and then the roof. The rooms are, as a rule, made to be heated. But few underground tenements occur. The ground floor and upper story consist usually of two tenements each. The garret, or story in the roof, is generally inhabited and contains also two tenements, or sleeping rooms for single men. On the average there are five to six tenements in each of these houses, containing 30 persons. The tenements are seldom used to both live and sleep in.

The colonies are situated for the most part about ten minutes from the places of work. Such workmen as do not belong to these colonies have generally their places of abode as near as they can to their places of work.

The average price of a working-man's tenement at Essen is 150 marks ($37.50) a year, and his average income 800 to 900 marks ($200 to $225) a year. There has been a good deal of building activity there during the last few years, and its working people do not suffer from lack of shelter. Tenements, however, do not stand idle.

Few cases of eviction take place, and no cases, Mr. Wiebe says,

have occurred where homeless people have been obliged to appeal to the city officials for shelter through inability to procure tenements.

The Krupps have done much in the way of providing healthy and comfortable dwellings for their employés, and between 1863 and 1874 put up 2,656 tenements for their people, wherein were dwelling at the time Mr. Weibe wrote his article 14,800 persons. Each tenement house is separated as much as practicable from neighboring ones, but it was not found practicable to provide each family with a separate house surrounded by a small garden, because the colonies would take up more room than could be spared in the vicinity of the works. The tenements have from two to four rooms each, and generally several tenements have a common house entrance, but each tenement in the same house is completely cut off from the others. The following is a brief description of the colonies by name:

Colony Altwestend.—This is the oldest of the colonies, and was formed in 1863. It consists of nine long buildings, running parallel to one another, each containing 16 tenements, having two to four rooms apiece. The inclosure walls of the ground floor are massive; in the upper story they are of stone fachwerk, covered on the weather side. The inside height of the ground floor is 9⅓ feet, and of the upper story 8⅓ feet. One-half of the buildings have cellars under them.

Colony Neuwestend.—This was erected in 1871, and is composed of 18 double houses, placed together in groups of four, three, and two. The buildings have massive inclosure walls and are completely undercellared, and consist of a ground floor and upper story. There are garret rooms also. Of these houses 10 contain in each half story a tenement of two rooms, and 8 in each half story tenements of three rooms. There are thus 108 tenements. The ground floor and upper story have a height inside of 9⅔ feet. The largest rooms have a floor area of 17 feet by 15 feet; the smallest an area of 10⅓ by 15 feet. Both these colonies are said to be favorably situated, and to miss the smoke from the works most of the time.

Colony Nordhof.—This was also built in 1871. It contains 162 tenements of from two to four rooms each, though the most of them (that is, 126 tenements) have but two rooms each. The stories are 9⅓ feet high, and the floors 15½ by 15 feet and 10$\frac{8}{10}$ by 15 feet in size. In the middle of the colony there is a cooking-house, with a large dining-room and sleeping rooms for unmarried men.

This colony is unfortunately badly situated, as it gets a great deal of smoke from the works.

Colony Baumhof.—Also built in 1871; is twenty minutes from the works. Situation fine. The buildings are provided with stables, and are set in gardens. There are 4 dwelling-houses which hold four families each, with four rooms to a family, and 14 houses containing four families each, but with only three rooms to a family; that is, 72 tenements altogether. The buildings have massive outer walls, arched cellars, a ground floor and upper story, and a garret story. The stories are 10 and 10½ feet high, with their largest rooms having a floor area of 16½ by 13$\frac{1}{10}$ feet, and the smallest one of 13$\frac{1}{10}$ by 9⅔ feet.

Colony Schaderhof.—This was constructed in 1872 and 1873, and is made up of massive and fachwerk buildings. The massive ones contain a cellar, three stories, and a garret. The inside height of the ground floor and first upper story is 9$\frac{7}{10}$ feet; that of the second upper story 8⅔ feet. The rooms are pretty much of the same size

as those of the other colonies just described. There are two such buildings containing 6 families, each with 4 rooms to a family; 44 such buildings containing 6 families, each with 3 rooms to a family; 36 such buildings containing 6 families, each with 2 rooms to a family; or a total of 492 tenements. The fachwerk buildings were very much needed, and were consequently put up in great haste. They have cellars and a ground floor and upper story, which, however, penetrates into the roof. There are no garret stories. The upper stories have outside stairways leading to them. The inside height of the ground floor is 8½ feet; that of the upper story to the top beam $9\frac{7}{10}$ feet. There are seventy of these buildings, having 4 tenements each, with two rooms to a tenement.

The colony Schaderhof can thus accommodate 492+280=772 workingmen's families. The colony has streets and in the center of it is a large open square used as a market place.

Colony Kronenberg.—This is the largest of all the Krupp colonies and was built up in the years 1872, 1873, and 1874. The houses are grouped around a large open place on streets crossing one another at right angles and partly planted with trees. The houses are provided with gardens. Of them there are 115 for 6 families, each with 2 rooms to a family; 38 for 3 families, each with 2 rooms to a family; 38 for 3 families, each with 4 rooms to a family; 80 for 6 families, each with 3 rooms to a family, or 233 houses with 1,398 tenements. Each house is under-cellared and has a ground floor and two upper stories. Some have a garret story and others not. The average height of the rooms is 10½ feet.

The rent paid for the tenements in the different colonies is from 60 to 210 marks ($15 to $52) a year, as follows:

A tenement of 2 rooms in a fachwerk house costs	$15 to $22
2 rooms, with cellar, in a massive house costs	22 to 27
3 rooms, with cellar, in a massive house costs	30 to 40
4 rooms, with cellar, in a massive house costs	45
5 rooms, with cellar, in a massive house costs	52

The rent is deducted from the wages of the working people in such a way that it is paid 14 days before it becomes due. By the contract under which they are taken they are vacated on 14 days' notice from either party, landlord or tenant.

The tenements are all provided with good drinking water. The privies and sinks are regularly disinfected and cleaned out at the cost of the company.

The dwellings just described were erected by the Krupps to relieve the demand for working men's tenements which manifested itself some years ago, and they have had a good effect upon the moral and family life of the Krupp working people in connection with other beneficial arrangements provided by this firm.

BOCHUM.

[From a paper by Mr. Lange, the mayor.]

Fifty years ago Bochum was a mere village with 2,000 inhabitants and 402 houses; now, by the census of 1885, it has a population of 40,767. There are understood to be extensive steel-works here, and some large factories and foundries. Rails, cannon, bells, mining machinery, and all that sort of thing are made here.

In the new parts of the city the streets are represented as being regular and well provided with large open squares. The old town

had the customary narrow, crooked streets of German towns and villages, with two and three story buildings upon them, but the new Bochum has massive and fine structures, some of which are five stories high.

The city covers a small area, about 1,517 acres, but a part of the laboring people employed within its precincts live in neighboring villages, and a good many of the working people residing at Bochum are employed outside the city, in the mines near by. These mines keep busy about 12,000 adults and some 9,000 children under 14 years of age.

There has been and still is in Bochum a lack of suitable dwellings for the poor. To relieve this want to some extent what is known as the Bochum Union put up 75 double or 150 single houses containing tenements for 397 families. At the time Mayor Lange's article was written there were 2,174 persons living in them.

These houses consisted:

(1) Of one-story houses containing each 4 tenements, each tenement consisting of two rooms, store-room, a cellar, a stall or pen, and a small quantity of garden land. They rent for $22 a year without the pen, or $24.50 with it.

(2) Of houses a story and a half high, with 4 tenements, having each three rooms and a kitchen, a pen, and some garden land. Rent $35 to $37.50 a year.

(3) Of two-story houses, having each 8 tenements, with three rooms per tenement, a kitchen, cellar and some store room, to which are added a pen and small garden land. Rent $32.50 to $33.50 a year.

(4) Of houses two stories and a half high, containing each 12 tenements, with two rooms to a tenement, and in addition a kitchen, with some garden land. Rent $30 a year in the first two stories, $24 in the third.

These rents, compared to those generally prevailing at Bochum, are said to be very moderate.

These tenements are rented by the Bochum Union to only the best of its employés. They are in a healthful situation and on account of their moderate rent and certain conveniences connected with them are in great demand, but they are let very carefully. Connected with them is a co-operative store run by the Bochum Union for the benefit of its workmen. There is also a kindergarten in the colony attended by 157 children. The houses are not built in blocks, but separately, and have gardens in front of them.

The Union has also a boarding and lodging house for its unmarried employés, erected in 1873, which will accommodate 1,500. The sleeping places are all separated from one another, and there are common places of resort in the building for the work people at meal time and when not at work. The fore building, the real lodging house, is four stories high and contains about 150 rooms, well ventilated, mostly all of the same size, holding each 4, 8, or 12 men. In the building's cellar are two restaurants, entered from the street and open to everybody, a place of sale, and a co-operative store. In the second story the inspector lives and the rooms are, where the bedding and other articles are kept. The rooms are kept warm with hot air.

The furniture of a room consists of wrought-iron bedstead, with a straw bed, a bolster of sea-grass, a half-linen sheet, and one to three blankets, according to requirements, to each person. Each inmate has further a good clothes-press, a chair, and a towel. There is also

a table in each room, and over the beds hooks for wearing apparel to hang upon.

The ceilings of the rooms are 8½ feet high, well plastered, and painted in light colors. The floors are of good strong pine boards well oiled. The windows have two large sashes, each made of cast-iron. The halls are arched and well lighted with gas and have asphalt floors. Provision is made for the extinguishment of fire by a corps of trained men.

Behind the lodging-house stands the eating-house, which contains a hall for 1,000 men, besides wash-rooms and the necessary kitchen-rooms. The eating-hall has a floor area of 9,675 square feet, and is 15½ feet high on the average. In its wash-rooms is a stove or furnace for heating, containing 56 wash-basins firmly set in an oak stand and furnished direct from the water pipes with cold water, while the warm water is obtained from pipes at the back. The warm water is also used for making coffee. The wash-basins are emptied by turning them over mechanically. For washing the feet there are troughs, and shower-baths can be had for a trifling sum. Ventilation is well provided for.

The eating-room is heated by warm water, and besides being used to eat in serves the workmen for a place of gathering. It is also used for balls, concerts, lectures, and the like. Between meals no food is to be had in it. The cellar restaurants just mentioned must be gone to for that purpose. During meals an orchestrion always plays.

The unmarried laboring employés of the Bochum Union are supplied with shelter and with dinner and supper for 20 cents a day in winter and 19 in summer. The dinner consists of a good soup, vegetables, and flesh, according to season of year, and the supper of warm potatoes, with sauce and some kind of meat. An abundant quantity is served. Beer and coffee are furnished at cost price. The working people can also get whatever bread they need between meals at cost price. Every fourteen days the bill of fare is changed.

The bed-clothing is washed free of charge, but the washing of wearing apparel must be attended to by the owner, who for a trifle is allowed the use of the wash-house, which is near the main building.

Unruly conduct in the building of the union subjects its inmates to eviction. Individuals given to drink or to controversy are not tolerated. For violation of the regulations of the establishment fines of from 12 to 35 cents are imposed, and in aggravated cases expulsion from the building is the consequence. The inmates of the sleeping-rooms are required to keep themselves clean and be orderly in all things, and whoever is infested with vermin is expelled from the sleeping and eating rooms and made to pay $1.50 for the cleaning of the bedding. Smoking in bed is prohibited by a fine up to 75 cents. No party is to make use of the bed of another or of any articles belonging thereto. Loud talking and disagreeable conduct of all kinds are forbidden. Nothing is allowed to be poured or thrown out of the windows. No light is permitted in the sleeping-rooms after 10 o'clock at night. Every lodger has to be in bed by 11 o'clock at night. Whoever injures or soils property of the house has to make the injury good and pay a slight fine in addition.

The name of this working-people's colony is Stahlhausen.

The mine Prince of Prussia has also a working-people's colony in a healthy situation within the limits of Bochum, consisting of 22

houses, with 774 inhabitants. The houses are similar to those of the Bochum Union. The tenements are rented at moderate prices.

Some other manufacturers have houses for a small number of their people, but there are only a few of them.

The cheap tenements are scattered through the town and are to be met with either in the old parts of the city, where the poor have long been accustomed to dwell in decaying houses, one to two stories high, or in the new quarters in larger tenements three stories high.

In the new town the streets are somewhat open, while in the old town, especially where the poor live, the buildings crowd one another. Outside the city there are numerous gardens, many of which are rented by the working-people. In the city also they occur somewhat.

The poor people pay high rents, comparatively speaking, on account of a lack of small tenements. One room brings on the average $18.75 rent a year. A tenement of two rooms commands on the average from $30 to $37.50 a year, and three rooms are worth from $55 to $57.50 a year. The new houses have in part been built under speculative impulses at a time when real estate and building materials were high, and are kept up as high as possible.

In the new town unhealthy houses are said not to exist, but otherwise is it with the houses in the old, cramped, and dirty streets of the old town. Not only their situation, but the manner in which they are built, makes of them improper habitations.

Bochum is said to be well supplied with water.

Bochum has no statistics respecting the manner in which its inhabitants live, but the tenements of the working people are said to generally have two to three rooms that can be heated, and to be very seldom limited to one room. Cellar tenements do not exist there. The houses have as many as five stories and the garrets are used in many cases to dwell in. The shoemakers, tailors, etc., often make use of their tenements to work in.

Bochum's poor suffer from a lack of tenements, and this want has made itself sensibly felt on several occasions. Since February, 1883, families have got into the streets, perfectly shelterless, through sheer inability to obtain rooms answering their means. Even with the aid of the police they could not obtain quarters, so full was every house, but it is said that these people were of the most degraded description, whom hardly any landlord really wanted. The city authorities were sorely put to it for a while to know what to do with these people. For a time they were given night quarters every night at 9 o'clock with the police, which they were required to quit at 5 or 6 o'clock the next morning, but as the number of the shelterless increased, other accommodations had to be arranged. Then an old hospital building outside the city limits, used only to isolate persons infected with epidemic diseases, was brought into requisition. In two large halls the shelterless people were allowed to sleep at night, with no partitions of any kind to separate the different families, but the men were kept together, apart from their families, in other buildings. This condition of things kept on from month to month, and barracks had finally to be erected for the shelter of the homeless. In the old hospital 30 families, having 98 children, were sheltered. At the time Mayor Lange wrote 29 families, having 156 members, were in these barracks. For their accommodation they pay a small rent, and when it is not done the recipients of the city's bounty have to work out their obligation on public work.

Mayor Lange says that at Bochum, as well as in all the neighboring industrial towns of Westphalia and the Rhineland, the taking of lodgers by poor families has grown to be a great evil, requiring the interposition of the strong arm of the State to check the moral devastation it has been causing. For a small sum people with families give board and lodging to the unmarried factory operatives and miners when they actually have not room enough for themselves in their contracted quarters. Dreadfully overcrowded themselves in altogether too narrow a compass, they take these workmen in to share with them their poor accommodations, where all men and women sleep huddled together in one room or so. At the labor which is performed in this part of Germany the men work in gangs or by turns, one squad during the day and the other for the night. It thus comes about while the husband is away that his boarders demoralize his wife and daughters, which has become so general that a moral pestilence has arisen among these people from it. The men give themselves over to drink, etc. The police have therefore been endeavoring to break up this lodging practice wherever there is not a separate room for the lodgers, and rigorous regulations have been issued on the subject.

The wages made by the working people of Bochum vary. At the mines they are paid 37 cents to $1.25 a day. At the furnaces and foundries the wages are, on the average, higher.

In 1876 the city of Bochum bought a tract of ground on its outskirts, embracing 35 acres of ground, which has been converted into a park, to which the poor have free access at all times. The grounds and their conversion into a park cost the city some $57,000, and about $3,500 are annually spent in keeping them up.

Mayor Lange says that, with few exceptions, the working people all over Germany suffer to a greater or less extent from a lack of proper places of abode.

In only 274 cases in Bochum is a whole house occupied by a single family.

OSNABRUECK.

[From a paper by Mr. Brüning, mayor of the place.]

Is situated on the Haase, in the province of Hanover, with 35,899 inhabitants, and embraces 7,787 acres of ground. The country near by is mountainous. The city has various parks. Its people are interested in mining and manufacturing.

The laboring people are scattered all over the town, with the exception of a few streets where the wealthy reside. In some of the old streets only laboring people dwell.

The old streets, as usual, are narrow, crooked, and unhealthy. In the new streets, even where working people largely dwell, the streets are seldom less than 33 feet wide; generally wider than that. They are well ventilated, and some of them are planted with trees, and where they cross one another small parks sometimes occur.

The city is provided with water and sewerage, but the sewers, as is generally the case elsewhere, are not intended to carry off excrement, which is collected in cemented wells or sinks and pumped out once or twice a year.

To each house there were 12.12 inmates in 1885, against 11.86 in 1875. The smallest tenements, with slight exceptions, consist of at least one heatable room, with a cooking-stove and a sleeping-room,

with some cellar and store room generally belonging to it, and oftentimes a pen for swine or goats. Of cellar tenements there are few. In the old houses of the old town the small garret rooms formerly used as store-rooms have been converted into dwelling-rooms. The possession of a whole house by a workingman is a rarity. Tenements are little used to work in. The new houses show larger rooms than the old. Tenements are generally taken for six months. Subletting is little done, and no great complaint is made of lack of tenements for the laboring population. To hear of a family being in the street from sheer inability to find a tenement is a rare thing. Rents are not very disproportionate to income. The laboring man pays about one-sixth to one-fifth of his earnings for rent. A tenement consisting of two rooms and a kitchen, with some cellar and store room and a pen, costs $30 to $37 a year. Tenements of three rooms, without a kitchen but with some cellar and store room, bring $17 to $25 a year. The wages of ordinary laborers amount to 45 to 50 cents a day, while the factory operatives and skilled mechanics make 75 cents and upwards a day.

A few years ago the city sold 25 building lots just outside its gates, at reasonable prices, for the express purpose of having workingmen's tenements erected on them to relieve the demand somewhat for tenements.

In the immediate vicinity of Osnabrueck there are a couple of the so-called laborers' colonies, where they are able to cultivate little patches of ground.

Such are, in a large measure, the conditions under which the German laboring population dwells, but they are conditions which are improving, I feel sure; and the future seems to me to be rich in promise to the Germany of the present.

JAS. HENRY SMITH,
Commercial Agent.

UNITED STATES COMMERCIAL AGENCY,
Mayence.

No. 98——17

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REPORTS

FROM THE

CONSULS OF THE UNITED STATES.

Nos. 99 and 100.—NOVEMBER and DECEMBER, 1888.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1888.

CONSULAR AND DIPLOMATIC OFFICERS.

		Page.
Alden, William L	Rome	514
Camphausen, Edward	Naples	533
Carroll, Philip	Palermo	547
Catlin, George L	Zurich	634
Crouch, Henry C	Milan	553
Crowe, A. L	Zante	512
Diller, Isaac R	Florence	529
Dithmar, Henry	Breslau	457
Dufais, F. F	Havre	327
Eckstein, D	Amsterdam	557
Fay, Andrew F	Stettin	505
Folsom, Benjamin	Sheffield	699
Förster, Charles	Elberfeld	487
Fox, Williams C	Brunswick	461
Hawes, John B	Reichenberg	275
Johnson, Edmund	Kehl	451
Jonas, Charles	Prague	281
Jones, Evan R	Cardiff	757
Jussen, Edmund	Vienna	260
Kimball, C. P	Stuttgart	508
Lang, W. W	Hamburg	489
Lathrop, Lorin A	Bristol	658
Loening, Albert	Bremen	455
Man, Ernest A	Gothenberg	614
Marston, H. C	Malaga	612
Mason, Frank H	Marseilles	395
McDowall, A. C	Piræus	511
Mueller, Jacob	Frankfort-on-the-Main	452
Murphy, George H	Chemnitz	476
Partello, D. J	Düsseldorf	484
Piatt, John J	Cork	730
Polachek, Max	Ghent	314
Raine, F	Berlin	406
Rawicz, Joseph	Warsaw	582
Roosevelt, George W	Bordeaux	369
Russell, Charles T	Liverpool	692
Ryder, Henry B	Copenhagen	323
Sartori, Victor A	Leghorn	544
Shackelford, H. A	Nantes	382
Slade, William	Brussels	299
Smith, James Henry	Mayence	499
Smith, Jasper	Newcastle-upon-Tyne	695
Steuart, John H	Antwerp	291
Underwood, F. H	Glasgow	732
Von Versen, F	Berlin	424
Walker, Lucien J	Dunfermline	741
Waller, Thomas M	London	650
Walling, Willoughby	Leith	742
Wigfall, F. H	Leeds	678
Williams, Charles P	Rouen	389
Winchester, Boyd	Berne	618

TABLE OF CONTENTS.

[Nos. 99, 100.]

	Page.
Austria	260
Bohemia	275, 281
Belgium	291, 299, 314
Denmark	323
France	327–382
Department of Gironde	369
Marseilles	395
Rouen	389
Germany	406–424
Alsace-Loraine	451
Bremen	455
Breslau	457
Brunswick	461
Chemnitz and Saxony	476
Düsseldorf	484
Elberfeld	487
Hamburg	489
Prussia	432
Mayence	499
Stettin	505
Wurtemberg	508
Greece, Piræus	511
Zante	512
Italy	514
Florence	529
Naples	533
Leghorn	544
Palermo	547
Milan	553
Netherlands	557–559
Russia, Poland	582
Russian finance	593
Spain, Malaga	612
Sweden	614
Switzerland	618
Zurich	634
United Kingdom:	
England	658
London	650

Page.

United Kingdom—Continued.
Leeds 678
Liverpool 692
Newcastle-upon-Tyne 695
Sheffield 699
Ireland, Cork 730
Scotland 732
Dunfermline 741
Edinburgh 742
Wales, Cardiff 757

CONSULAR REPORTS

ON

COMMERCE, MANUFACTURES, ETC.

Nos 99 and 100.—November and December, 1888.

Department of State,
Washington, July 18, 1888.

To the President:

I have the honor to submit, for transmission to the Congress, reports by the consular officers of the United States, on taxation in the respective districts in which they reside. The continually increasing importance of fiscal questions, in both national and local administration, led me to believe that such reports, although necessarily imperfect from a purely scientific point of view, would yet offer some basis for interesting comparisons of methods employed in the various countries of Europe, if, indeed, there should not be presented some elements or instruments to be adopted or imitated in this country. The reports are intended to show merely what is the actual condition of taxation in different countries, without regard to the reasons of such condition, or the theories that have been applied in leading to it. To examine the subject as its importance demands would require the knowledge of highly trained economists and practical financiers; but the following reports will be sufficient to awaken a spirit of inquiry that can not but be productive of good results.

Respectfully submitted.

T. F. Bayard.

*Public debts of Europe.**

Country.	Date.	Capital of debt.	Annual interest and charges.	Military expenditure.
Prussia	Apr. 1, 1886	$962, 800, 000	$44, 000, 000	$107, 820, 000
German Empire	Dec. 31, 1886	105, 200, 000	4, 020, 000	
Wurtemberg	Dec. 31, 1885	105, 000, 000	4, 300, 000	.....
Saxony	....do	160, 000, 000	6, 640, 000	.....
Hamburg	Dec. 31, 1883	35, 600, 000	1, 740, 000	.....
Bavaria	Mar. 31, 1886	358, 000, 000	12, 200, 000	.....
Baden	Dec. 31, 1885	10, 600, 000	420, 000	.....
Other German States	....do	53, 600, 000	2, 200, 000	.....
Austria	Dec. 31, 1884	1, 857, 600, 000	77, 980, 000	68, 400, 000
Hungary	....do	635, 600, 000	41, 360, 000	
Italy	Dec. 31, 1885	2, 226, 200, 000	106, 400, 000	68, 500, 000
Sweden	....do	69, 000, 000	3, 280, 000	7, 100, 000
Norway	June 31, 1885	30, 200, 000	1, 200, 000	3, 660, 000
Denmark	Dec. 31, 1885	54, 800, 000	2, 480, 000	4, 600, 000
Netherlands	....do	452, 000, 000	13, 900, 000	13, 900, 000
Belgium	....do	354, 200, 000	16, 300, 000	9, 120, 000
Spain	July 1, 1886	1, 208, 400, 000	54, 820, 000	40, 060, 000
Portugal	....do	564, 200, 000	17, 860, 000	7, 860, 000
England (United Kingdom)	Mar. 31, 1885	3, 565, 800, 000	147, 500, 000	148, 000, 000
Switzerland	Jan. 1, 1886	6, 400, 000	360, 000	3, 420, 000
Servia	June 13, 1886	48, 800, 000	2, 740, 000	3, 240, 000
Roumania	Apr. 1, 1887	145, 800, 000	11, 840, 000	5, 700, 000
Greece	Jan. 1, 1886	79, 600, 000	6, 600, 000	4, 600, 000
Turkey	1880-'81	524, 400, 000	11, 080, 000	40, 000, 000
Bulgaria	Jan. 1, 1885	.....	420, 000	.....
Finland	Dec. 31, 1885	13, 000, 000	1, 180, 000	1, 220, 000
Russia	....do	3, 605, 600, 000	207, 600, 000	196, 400, 000
France	Dec. 31, 1886	6, 200, 000, 000	267, 200, 000	171, 900, 000

* An estimate by Dr. Richard von Kaufmann, published in the Jahrbücher für National Oekonomie und Statistik, and in Bulletin de Statistique et de Législation Comparée, September, 1887. Reduced to American currency at 5 francs to the dollar.

EMPIRE OF AUSTRIA.

REPORT OF CONSUL-GENERAL JUSSEN.

The system of internal taxation in Austria is extremely complicated, and in consequence of the great mass of legislation upon the subject, the numerous amendments of original provisions, and the many special acts applicable to special localities, presents peculiar and unusual difficulties to a correct and exhaustive analysis.

The laws upon internal taxation fill no less than three volumes of about 600 pages each, printed in small type, all of which require a close examination in order to make a correct abstract of the provisions now in force. The greater part of all this mass of legislation I believe to be utterly inapplicable to our condition and system of government, and there is perhaps no Austrian enactment upon the subject of taxation which is an improvement upon our own system except the mode and manner provided for collecting taxes on distilled spirits. This tax is collected in Austria by estimating the capacity of the distillery apparatus and of the fermenting tubs, and by controlling the periods of distillation.

INTERNAL TAXES.

The internal taxes of Austria are divided into direct and indirect taxes.

The direct taxes are levied on the proceeds or profits of real property, on the profits arising from personal property, and on income.

The taxes on real property are divided into taxes on proceeds or profits of realty (agricultural lands, forests, vineyards, etc.), and taxes on the proceeds or profits of buildings (rents).

The taxes on personal property are divided into taxes on manufactories, on industrial, mercantile, and professional occupations (erwerbsteuer license), and taxes on income derived either from such industrial, mercantile, or professional occupations, or from invested capital. A manufacturer, for instance, if he owns the building in which he carries on business, pays taxes to the state, first, on the rental value of the building; secondly, a high license tax for the privilege of carrying on his business; and thirdly, an income tax on the net profits derived from his business, aside from certain taxes levied by the municipality, hereinafter specially mentioned.

The indirect taxes are levied in the form and under the name of a consumption tax (Verzehrungssteuer). They are partly collected at the line or entrance of all so-called "closed cities" throughout the Empire. Though the old walls and fortifications may have fallen, the imaginary line still exists, which can not be crossed without paying an octroi tax. This consumption tax is imposed in Vienna, Linz, Graz, Laibach, Trieste, Prague, etc.

The list of articles upon which this tax is collected includes almost all provisions and beverages, as meats of all kinds, live cattle, wine, beer, butter, eggs, etc. This indirect tax yields a great revenue to the Empire and also to the several municipalities, for it is a double tax, the special municipalities being authorized by law to collect an additional consumption tax, which is added to that imposed by the State, upon all provisions, etc., crossing the line and entering the said cities.

Another class of this consumption tax is imposed upon beet sugar, petroleum, distilled spirits, etc., and collected at the place of manufacture, as hereinafter particularly stated.

DIRECT TAXES.

Tax on net proceeds of real property.

Every tax district has its own permanent record of the dimensions, character, and average producing capacity of all parcels of land within the district. This permanent record (Kataster) has existed for a long series of years, and the tax is levied upon the basis of the estimated producing capacity as shown in this record. From time to time new estimates are made, and the owners of the realty have the right to protest if they think the estimate too high. The question is decided by the finance officers of the district, and in certain cases an appeal lies to the minister of finance; but no appeal operates as a stay of proceedings in the collection of the tax.

According to the Kataster records of 1880 the taxable area of land in Austria amounted to 46,247,640 joch (32,568,732 acres); area free of taxes, 5,888,248 joch (4,146,654 acres). (One joch is equal to 1.42 acres.)

According to the official Kataster (record) this taxable area is classed, and its net producing capacity is estimated as follows:

	Austrian measures.		American equivalent.	
	Joch.	Net product.	Acres.	Net product.
		Florins.		*Dollars.*
Agricultural lands	18,483,985	102,432,974	13,016,890	36,773,437.66
Meadows	5,349,025	26,000,671	3,766,920	9,334,240.89
Gardens	646,539	6,516,092	455,309	2,339,277.00
Vineyards	431,523	4,062,027	303,889	1,458,267.69
Pasture	4,629,146	3,838,450	3,260,000	1,377,943.55
Alps	2,432,437	711,274	1,713,000	255,347.36
Forests	16,990,481	20,935,989	11,965,127	7,516,020.00
Lakes, swamps, and ponds	198,317	441,747	139,660	158,587.17

NOTE—1 joch = 1.42 acres; 1 florin = 35.9 cents.

The average net proceeds per joch are estimated as follows:

	Per joch.	Per acre.		Per joch.	Per acre.
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
Agricultural lands	5.54	1.988	Pasturing lands	.83	.297
Meadows	4.86	1.744	Alps	.20	.071
Gardens	10.08	3.616	Forests	1.23	.441
Vineyards	9.41	3.378	Lakes, swamps, and ponds	2.23	.80

The average net producing capacity of the total area of taxable land, etc., is estimated at 3 florins 36 kreutzers per joch (85 cents an acre). Under the act of June 7, 1881, the total amount of the taxes to be imposed upon this producing capacity of taxable lands was fixed at 37,500,000 florins ($13,462,500) per annum for the term of fifteen years, and the percentage to be paid in the form of taxes by the owners, in order to cover this sum, was fixed at 22.1 per cent. of this average net producing capacity or proceeds. In 1849 this tax was about 17 per cent., and in the Duchy of Salzburg only 8 per cent. Since then the percentage has been gradually increased from time to time. Military expenditures have been the principal cause of this increase.

In case of default in the payment of this tax at the time fixed by law, the party making default must pay interest at the rate of 1½ kreutzers per day for each 100 florins due. If the tax is not paid within four weeks after it is due and payable, execution issues for amount of taxes and interest against the personal property of the delinquent.

From levy under this execution are exempt (*a*) beds and bedding, clothing, furniture, and cooking utensils indispensable to carry on the household. (*b*) tools, indispensably necessary to carry on the trade of the defendant in execution. (*c*) the "*fundus instructus*" necessarily required to cultivate the soil—for instance, draft horses or oxen.

If the personal property levied upon is insufficient to pay the tax an execution issues against the realty.

The tax on buildings.

The theory of this tax is that it is imposed upon the profits of the capital invested in the buildings. It is considered a very fair and safe form of taxation by the Austrian Government, for the reason that it is quite impossible to conceal the real amount of capital invested in the buildings, and, following the views of Adam Smith, the authorities advocate the justice of this tax as a combination of a tax upon the realty and upon the improvements situate thereon. This tax upon buildings is divided into two classes, viz: (1) The tax upon the net amount of rent received or upon the rental value, called the house rent tax (Hauszinssteuer), and (2) the tax upon dwelling-houses, graduated according to the number of dwelling-rooms, the houses being divided into a certain number of classes, called the house-class tax (Hausclassensteuer)

House-rent tax.

The house-rent tax is not by any means uniform throughout the Empire, but is only levied in certain cities and localities particularly mentioned in the law, and wherever the house-rent tax is not levied the house-class tax is imposed. The most noticeable characteristic of this law is its total want of uniformity.

In order to arrive at the net amount of rents received for the purpose of assessing the house-rent tax a deduction of from 15 per cent. to 30 per cent. is made from the gross amount to cover the necessary repairs, etc. Upon the balance, viz, the net amount of rent, a tax is imposed varying from 15 per cent. to 26⅔ per cent.

But it should be remembered that this percentage covers only the house-rent tax, payable to the State, and that the several municipalities within whose bodies this tax is levied add another percentage as a local house-rent tax, the amount of which also varies in the different localities. So that in the city of Vienna, for instance, the total amount of house-rent tax, State and local, is 45 per cent. of the net amount of rents received.

In former years a sum in gross was paid to the State by some localities and cities in lieu of this house-rent tax. The city of Trieste, for instance, together with its immediate surroundings, paid in 1863, in lieu of this tax, the gross sum of 414,750 florins ($148,895).

Under the law of 1882, however, now in force, all cities and localities particularly mentioned in the law, and within these all buildings, the half of which at least is actually rented, pay this tax. All other buildings, with some exceptions hereinafter mentioned, pay the house-class tax, and the officers decide to which class a building belongs. Of all buildings a permanent record (Kataster) is kept in the several tax districts, which serves as a basis of taxation, and the entries in which are changed in accordance with the investigations and consequent decisions of the tax officers.

House-class tax.

Under the law of January 1, 1882, the house-class tax is levied in proportion to the number of inhabited or habitable dwelling-rooms, without reference to the cost or value of the building, and without regard to its style of architecture or purpose. Palace and peasant's hut come under the same rule and classification. For the purpose of levying this tax, sixteen taxable classes are established as follows:

Class.	Number of dwelling rooms.	Amount of tax per annum.	
		Florins.	*Dollars.*
I	40–36	220	78.98
II	35–30	180	64.62
III	29–28	150	53.85
IV	29–25	125	44.87
V	24–22	100	35.90
VI	21–19	75	26.92
VII	18–15	50	17.95
VIII	14–10	30	10.77
IX	9– 8	20	7.18
X	7	15	5.38
XI	6	10	3.59
XII	5	5.50	1.97
XIII	4	4.90	1.76
XIV	3	2.10	.75
XV	2	1.70	.61
XVI	1	*.75	.27

* This tax of 75 kreuzers is levied on dug-outs, cane-huts, etc., and shanties of one room only.

Under this classification all rooms which are or which can be inhabited are taxed. Barns, stables, and outhouses are exempt. Anterooms, halls, assembly rooms, and writing rooms also fall within this classification; but kitchens, cellars, and garrets (the latter only if not occupied) are excluded.

It matters not whether the rooms are furnished or not, or whether windows and doors are broken; they are all taxable if they can be made fit for dwelling without rebuilding. Certain workshops are also taxable. The workshops of tailors, shoemakers, weavers, and cabinet-makers, etc.; salesrooms of merchants, offices of druggists and surgeons fall within this classification, because, as a commentator on this law remarks, all these localities require but little change to make them habitable. The dwelling-rooms, bed-rooms, offices, and storage-rooms of factories also come within this provision.

If a house is destroyed by water or fire the house-class tax is abated for the year within which the destruction took place.

In the following cases both the house-rent tax and the house-class tax are totally abated for the term of twelve years: (*a*) If a new building is erected upon ground not theretofore built upon; (*b*) if a building is torn down to the ground and rebuilt; (*c*) if a building is enlarged by erecting a new story or stories the new stories are exempt from taxation for the period aforesaid; (*d*) if separate stories or parts of building are torn down and rebuilt the new part is exempt in same manner.

This term of twelve years begins to run the day of the occupation of the building. It must, however, not be supposed that these tax-free buildings are entirely free from taxes because the law just quoted so provides.

Special enactments have brought these buildings within the reach of the tax collector. In Vienna, for instance, tax-free buildings pay 20 per cent., while buildings not tax free pay 45 per cent. of the rental value as house-rent tax.

Fine and punishment in case of concealment of or misrepresentation as to actual amount of rent collected.—(1) Payment of amount of rent concealed after deducting the usual percentage for repairs, etc. (2) The total amount of the house-rent tax actually levied for the period in question. (3) In addition to the above amounts payment of the total amount of rent collected during the whole period while the concealment took place.

This is a double punishment, respectively called rent fine and tax fine. The rent fine is paid to the informer, whom the law protects to the extent of providing that he has the right to have his name withheld from publication, and it is made the duty of the authorities not "to expose the informer to the accused."

Fine for non-payment of house-class tax.—With reference to the non-payment of the house-class tax the law provides that if the house-owner fails to give notice to the authorities of the erection of a building or the erection of part of a building subject to this tax within four weeks after the building or the additional part is complete he shall pay double the tax due for the period during which such concealment took place.

Erwerbsteuer (license) tax on proceeds of personal property and business.

The tariff tables of this tax contain four principal classes, under which all employments and pursuits subject to this tax are classified, viz:

I. Factories.

II. Commercial ventures, with a separate classification for wholesale business.

III. Arts and industries (including retail merchants and dealers and peddlers).

IV. Employment: (*a*) For instruction, teaching, etc.; (*b*) brokers and

commission merchants, notaries, attorneys, etc.; (c) transporting goods and passengers).

For factories and wholesale mercantile establishments this license tax is uniform throughout the Empire, and is assessed without reference to the population in the respective localities, but for all the other classes subject to this tax a separate tariff has been established for separate localities. These separate tariffs are classified as follows: (1) Vienna and environs for 2 German miles in circumference; (2) Prague, Lemberg, Brünn, Gray, Linz, Laibach, Zara, Innsbruck, Triest, Bozen; (3) all towns of 400 souls or more; (4) all towns of from 1,000 to 4,000 souls; (5) all towns of less than 1,000 souls.

The tax is payable semi-annually in advance. The estimate of the amount of earnings is based upon the average earnings of the three previous years. In assessing this tax the tax officers find little difficulty to ascertain the net earnings of factories and wholesale mercantile establishments, because they gain the required information from the balance-sheet to be furnished by these establishments under the provisions of the income-tax law and the commercial law book (Handelsgesetzbuch). In order to gain definite data as to the proper amount of tax due from the other taxable classes the law instructs the tax officers to take into consideration the amount of capital invested, the nature of the business, its location, the number of workmen and clerks employed, the machinery and apparatus used; in spinneries the number of spindles, in mills the number of stones, in bakeries the number of ovens, in foundries and machine-shops the number of fires, boilers, hammers and anvils; with reference to the business of teamsters the number of horses and wagons used; in taverns the number of rooms, stables, and sheds; as to dairies the number of cows, etc. The amount of house-rent paid by a business man is to be considered in arriving at his net earnings. In judging from all these facts and circumstances the tax officers decide to which particular class the tax-payer belongs. The law fixes the number of classes of tax-payers subject to this license tax, and also provides for the amount of tax to be paid by each class in the several cities and localities, but it omits entirely to fix the precise conditions (*i. e.*, precise amount of net earnings) under which a tax-payer is to be enrolled in any one particular class, but leaves the decision upon this point to the tax officers of the several districts, and requires them to be guided in their decisions by the declarations to be made by the tax-payer and by the estimate of the local authorities. A permanent record (Kataster) is kept of these several classes in the respective districts, the entries in which are changed or amended according to circumstances.

The license tax on factories and wholesale mercantile establishments, as already stated, is uniform throughout the Empire. The rates are as follows:

Class.	Per annum.		Class.	Per annum.	
Factories:	*Florins.*	*Dollars.*	Factories:	*Florins.*	*Dollars.*
I	42	15.07	VIII	1,575	565.42
II	84	30.15	Wholesale establishments:		
III	105	37.69	I	315	113.08
IV	315	113.08	II	525	188.47
V	525	188.47	III	735	263.77
VI	735	263.77	IV	1,050	376.95
VII	1,050	376.95	V	1,575	565.42

The rates of all the other license taxes vary according to the localities where they are imposed. For instance, all retail merchants and dealers coming under subdivision III, first above mentioned, pay the following taxes in Vienna and within 2 German miles of Vienna:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	105	37. 59	V	420	150. 79
II	157. 50	56. 54	VI	525	188. 47
III	210	75. 39	VII	735	263. 77
IV	315	113. 08	VIII	1, 050	376. 95

In Prague, Lemberg, Brünn, Gray, Linz, Laibach, and Zara only the first four classes are retained and taxed at a very much lower figure, viz:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	52. 50	18. 84	III	157. 50	56. 54
II	105	37. 69	IV	315	113. 08

In Innsbruck, Triest, and Bozen, the first five classes are retained and taxed still lower, as follows:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	26. 50	9. 42	IV	157. 50	56. 54
II	52. 50	18. 84	V	315	113. 08
III	105	37. 69			

In all towns with 4,000 and more souls (always excepting Tyrol) only three of the above classes are retained, and the following rates are established:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	42	15. 07	III	105	37. 69
II	84	30. 15			

In all towns with from 1,000 to 4,000 souls this same tax is still lower, viz:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	31. 50	11. 30	III	84	30. 14
II	63	22. 61			

In all towns with less than 1,000 souls four classes are retained, and the following rates prevail (being the lowest, with the exception of those of Tyrol):

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	2.10	.75	III	8.40	3.01
II	4.20	1.50	IV	16.80	6.02

The rates in Tyrol under all classifications are nearly 50 per cent. less.

Mechanics, small manufacturers, grocers, peddlers, all artists, except painters, sculptors, etc. (bildende Künstler), pay the following license in Vienna and within 2 German miles of the city.

These tax-payers are divided into twelve different classes:

Class.	Per annum.		Class.	Per annum.	
	Florins.	*Dollars.*		*Florins.*	*Dollars.*
I	5.25	1.88	VII	63	22.61
II	10.50	3.77	VIII	73.50	27.58
III	21	7.53	IX	84	30.14
IV	31.50	11.30	X	105	37.69
V	42	15.07	XI	210	75.39
VI	52.50	18.84	XII	315	113.08

These rates are much reduced in all the other localities, so much so that the highest rate paid in Tyrol, for instance, under Class V of this classification is 21 florins, and the lowest under Class I is 1.50 florins (53.8 cents).

Certain classes of teachers in Vienna and within 2 miles of that city pay a license of from 5.25 florins to 21 florins, ($1.88 to $7.53) per annum, while in all localities of from 1,000 to 4,000 souls and in Tyrol they are exempt from this tax.

Brokers, commission merchants, agents, notaries, and attorneys are divided in Vienna and within 2 miles of that city into five classes, and pay a license ranging from 52.50 florins ($18.84) per annum to 315 florins ($113.08). This rate is also much lessened in the other localities of the Empire.

Upon what particular basis or precise amount of earnings these several classifications in the respective districts are based it would be quite impossible to ascertain without an examination of all the tax records (kataster) in the tax districts of the Empire. The only statement to which I have been able to gain access, and which relates to the license tax imposed upon proprietors of factories and wholesale dealers in Vienna seems to show that in that locality the tax levied amounts to about 3¾ per cent. of the net earnings upon that particular class.

Exemption from license tax.—From this tax are exempt (*a*) the agricultural industry in so far as it is confined to the raising of raw products; (*b*) all workmen who work for wages or by the job; (*c*) all common day laborers; (*d*) all public officers directly employed by the Government; (*e*) all authors and artists (bildende künstler); (*f*) all teachers in towns having less than 4,000 souls; (*g*) all mines (excepting smelting work); (*h*) dealers in tobacco, Government stamps, and lottery tickets; (*i*) fisheries in the coast districts; (*j*) savings banks; (*k*) physicians, surgeons, and midwives.

Fine for non-payment of license.—Whoever is subject to the license tax and neglects to pay the same must pay double the amount of the tax due for the year within which the offense is committed.

The income tax.

An income tax has existed in Austria since the beginning of the nineteenth century. It was repealed in 1829 and re-enacted in 1849. This tax is divided into three classes:

First class.—Under the first class the following income is taxed: (*a*) the income derived from all those trades and occupations which are subject to a license tax (erwerbsteuer); (*b*) the income of mining and smelting establishments; (*c*) the profits made by the tenants of agricultural lands and of tenants of tolls and consumption tax districts.

Second class.—(*a*) Income from services rendered or labor performed in occupations not subject to a license tax; (*b*) annual income or dividends paid by life insurance or other companies or societies.

Under this class are included the salaries of public and private officers and servants; pensions, donations, and other pecuniary assistance received by public functionaries, servants, and officers retired from active service; pensions of the widows and children of civil and military officers; also the pecuniary donations made out of the public funds, either national or local, to cloisters or theological orders; also the incomes of authors, artists, physicians and veterinary surgeons, midwives, and private teachers (the latter only in towns of less than 4,000 souls); the income of university professors from lecture and examination fees. Servants are only taxed under this class if their total income exceeds 630 florins ($226.16) per annum.

Third class.—Under this class are embraced: Interest from loans and other outstanding demands and claims; interest from invested capital; income from savings banks and life insurance companies. Benevolent and mutual assistance corporations and stipends are also included in this class.

Exemptions from income tax.—The pay of officers and soldiers in active service, also that of reserve officers; the income of cloisters devoted to the care of the sick, of schools, and benevolent institutions; the pensions of the members of the Maria Theresa Order (declaration); the donations connected with the medal for bravery; day laborers; the interest on deposits in savings and post savings banks all incomes not exceeding 315 florins ($113.08) per annum; the income of mutual laborers' insurance companies; the income from the following public bonds: (*a*) The 5 per cent. Austrian stocks or bonds; (*b*) the Austrian gold bonds; (*c*) bonds of the city of Vienna of 1867; (*d*) bonds of the Danube regulating commission of 1878; (*e*) certain bonds of Tyrol; (*f*) state railroad bonds; (*g*) bonds of all railroads subject to tax; (*h*) bonds of the Austro-Hungarian Bank; (*i*) bonds of the Mortgage Bank of Bohemia; (*j*) bonds of the national debt and of the lottery loans of 1854 and 1860; a number of other corporation bonds.

Fines and penalties.—In case the party subject to the income tax makes either a false return or intentionally neglects to make any return, thrice the amount of the tax is imposed, payment of which however includes the tax itself, so that the fine proper is double the amount of the tax.

The percentage paid as income tax.—Additional percentages have been imposed from time to time, and numerous amendments of the original

law have been enacted, and a careful perusal of this mass of legislation furnishes as final result the following:

Under the first class above mentioned the income tax collected under the laws now in force is progressive and amounts to from 8½ per cent. to 10 per cent. of the net income.

Under the second class from 17 per cent. to 20 per cent., and under the third class to 10 per cent.

INDIRECT TAXES.

Consumption tax (Versehrungssteuer) levied at the place of manufacture of beer, distilled spirits, sugar, and refined petroleum, and on wine, cattle, provisions, etc., in towns in the open country and in the so called closed cities.

Beer.

The consumption tax imposed upon beer at the place of manufacture is 16 kreutzers (6 cents) for each hectoliter (26½ gallons), and the same rate for each saccharometer degree of beer wort.

Distilled spirits.

The consumption tax on distilled spirits is collected at the distilleries by (1), taxing the capacity of the distilling apparatus; (2), by taxing the space of the fermenting tubs.

Under subdivision 1 a tax of 10 kreutzers (4 cents) for each hectoliter and for each degree of the prescribed alcoholmeter (of 100 degrees) is imposed.

Under subdivision 2 the following consumption tax is levied for each hectoliter: (*a*) If potatoes, grain, beets, or beet molasses are distilled, 66 kreutzers (26.4 cents): (*b*) If apples, pears, cornel cherries, or brewers' slops are distilled, 44 kreutzers (17.6 cents); (*c*) if grape husks (Weintreber) are distilled, 33 kreutzers (13.2 cents); (*d*) if wine, cherries, plums, or wine and fruit must are distilled, 66 kreutzers (26.4 cents).

In exceptional cases distillers pay tax on the probable amount of their product as fixed by agreement with the Government, or on the volume of spirits as gauged by a Government meter, or as it is termed by a "control measure apparatus."

The fines inflicted on distillers for fraudulent practices and intentional violations of the laws and regulations are quite severe, but not nearly as severe as in the United States. The maximum fine is as high as 5,000 florins ($1.795), and in some cases eight times the amount of the tax due is imposed as a fine, but I have looked in vain for any provision of Austrian law inflicting either imprisonment or confiscation upon a defrauding distiller. I presume under the general law the convicted distiller will stand committed until the fine is paid, but there is no such Draconic enactment as a penal statute providing for fine or imprisonment, or both, in the discretion of the court, nor has the Government a first lien for taxes, past, present, and future, upon the distilling premises.

Beet-sugar—sugar.

The consumption tax levied upon beet-sugar at the refineries is 73 kreutzers (29.3 cents) per 100 kilograms of fresh beets; if dried beets are used the tax is increased fivefold.

If any other raw material than beets is used the tax is (*a*) 41 kreutzers (16.4 cents) for each 100 kilograms in a fluid state; (*b*) 4 florins (1.83 cents) per 100 kilograms if in a granulated state.

Petroleum.

The consumption tax on refined petroleum collected at the refineries is 6.50 florins ($2.33) per 100 kilograms.

Consumption tax levied on beef, cattle, sheep, pigs, etc., in towns and in the open country.

This tax is divided into three classes, as follows: First class, all towns with a population over 20,000 souls (excepting "closed cities"); second class, all towns with a population from 10,000 to 20,000 souls; third class, all other towns and open country.

	Classes.		
	I.	II.	III.
	Florins.	*Florins.*	*Florins.*
Oxen, steers, and cows over one year old	5.04	3.78	2.52
Calves up to one year old	.84	.63	.42
Sheep and goats	.32	.25	.17
Lambs up to 14 kilograms; sucking pigs or goats	.21	.17	.11
Pigs from 5½ to 19½ kilograms	1.26	.95	.63
Fresh, salted, smoked, and pickled meats and sausages, per 100 kilograms	1.87	1.50	.94

Consumption tax on wine and wine and fruit must for the open country

The tax on wine varies from 1.60 florins to 2.97 florins per hectoliter, according to locality. Fruit and wine must pays from 42 kreutzers to 94 kreutzers per hectoliter.

Consumption tax collected on the line of the city of Vienna.

The tax is collected partly on behalf of the State and partly on behalf of the municipality. The tariff as established is high, but 20 per cent. is added under a late enactment; whether for the benefit of the State or the municipality, or for the benefit of both, is not stated in the tariff. Almost all provisions, beverages, eatables, and commodities alive and dead are subjected to this tax, as for instance, spirits, wine must, beer, vinegar, cattle of all kinds, sheep, goats, lambs, hogs, pigs, meat of all kinds and in all shapes and conditions; fowl, wild and tame; game of all kinds, small birds; fish, fresh, salted, pickled, and in oil; rice, flour of all kinds, all grains, beans, peas, etc.; hay, straw, bran, all vegetables and fruits, fresh and dried; butter, lard, candles, tallow, glycerine, cheese, eggs, wax, oils of all denominations, fire-wood, coal, hemp; sun-flowers and other flowers out of which oil can be made; honey, etc.

As example I quote from this tariff:

	Consumption tax.	
	State tax.	Municipal tax.
	Florins.	*Florins.*
Beef cattle and calves over one year old, per head	7.85	1.50
Calves up to one year old, per head	1.40	.28
Fresh beef, per 100 kilograms	2.75	.37
All other fresh meats, per 100 kilograms	4.91	1.23
Deer, per head	2.10	.52
Rice, per 100 kilograms	3.75	.94
Flour, etc., per 100 kilograms	.62	.16
Candles, etc., per 100 kilograms	3.75	.94

NOTE.—To this tariff 20 per cent. is added.

Every vehicle drawn by horses and every horse that crosses the line into the city pays an octroi tax of 4 kreutzers for each horse.

All other so-called "closed cities" have a similar tariff, though the rates are not so high as those of Vienna.

The stamp tax.

Every written document imaginable, from a simple receipt to the written decision of a judge, is subject to stamp duty. The tariff of stamp duties fills many pages, and no instrument in writing which in any way fixes the rights or obligations or duties or conduct of Austrian subjects seems to have been forgotten. The testimonial of the conduct of servants requires a stamp, as well as a check upon a bank.

A foreign draft can not legally be indorsed by the payee unless the same is stamped before the indorsement. The tax is graduated according to the amount directly or indirectly involved by the terms of the document. Business books, such as ledgers, journals, and cash-books, require a stamp tax, the amount of which is governed by the size of the paper. Petitions or any communication addressed to any public office must be stamped; in fact, everything except a letter is subject to this tax, and even this requires a stamp if it contains a receipt for or a request to pay a certain account. Documents, such as deeds, mortgages, etc., must be stamped in accordance with the values conveyed, viz: up to 8,000 florins with a stamp from 7 kreutzers to 25 florins, and for every 400 florins exceeding 8,000 florins with a stamp for florins 1.25. The regulations concerning stamp duties are very voluminous and intricate, and in most cases, excepting, of course, mercantile papers, such as receipts, checks, and drafts, it would seem as if legal advice was required to ascertain the exact stamp prescribed under the law. The volume before me purports to be an extract from and concise compilation of all the stamp laws, rules and regulations, and contains over 300 pages quarto on the subject. The stamp tax on Austrian newspapers is 1 kreutzer and on foreign papers 2 kreutzers per paper. All almanacs and all playing cards must pay a stamp tax.

OTHER INDIRECT TAXES.

Taxes on titles and decorations.

As a rule, the conferring of the titles of nobility and of other titles is connected with a tax as follows:

	Florins.
Title of duke or prince (Fürst)	12,600
" " count	6,300
" " baron (Freiherr)	3,150
" " knight	1,575
" " nobleman (simple)	1,050

Combinations of coats of arms (unio armorum), changing or improving same (melioratio-armorum), and the issuing of a heraldry letter (Wappenbrief) are also subject to a tax.

The conferring of the title of secret councilor is connected with a tax of 630 florins, and of title of chamberlain with a tax of 1,050 florins, etc. Even ministers of the gospel pay this tax; in case of promotion to court chaplain, for instance, 52.50 florins.

All public officers, when their salary exceeds 300 florins per annum, pay a tax at the time of appointment to office called the service tax.

Most of the decorations are connected with a tax, but the Emperor of Austria may bestow any decoration free of all tax, and very frequently exercises this privilege.

Tax on donations and legacies.

Donations during the lifetime of both parties, if made to a relative, are subject to a tax of from 26 to 29 per cent. of the net amount of the donation, according to the degree of relationship between donor and donee; in all other cases the tax is 33 per cent. of the net amount donated.

Legacies and all property devised by will or acquired by inheritance, if a relative is heir or legatee, are subject to a tax of from 26 to 29 per cent.; if a stranger is heir or legatee, 33 per cent. of the net proceeds, except in the case of a legacy left to the servant of the testator, when, if the legacy does not exceed an annuity of 50 florins or 500 florins in gross, 26 per cent. is imposed as tax.

Tax on State lottery bonds (Staats lose).

The tax on all prizes or premiums drawn on Austrian State bonds is 20 per cent., and on the private bonds 15 per cent.

Chamber of commerce taxes.

The Vienna chamber of commerce, like the chambers of commerce of other cities, is created by special decree of the Emperor. It acts as an advisory board to the minister of commerce, and has the commercial and industrial interests of the city in charge.

Questions of tariff are generally submitted to it, but its report and opinion do not always influence the Government. For the purpose of maintaining this corporation and paying its current expenses certain general taxes are levied, which in the city of Vienna amount to about 57,000 florins per annum in round figures. The chamber is represented by one member in the Reichsrath (diet), and I presume that the influence and the results of the labor of this representative are considered the main equivalent for the pecuniary support of the chamber enforced from the tax-payer.

Registry of business firms.

Another indirect tax results from the law providing for the registry (Protocollirung) of business firms. A certain tax, proportioned to the extent of the business represented by the firm, is paid at the time of the registry. The advantages derived from this registry are, first, an increase of the firm's credit and improvement of commercial standing; and, secondly, the exceptional privilege of collecting all claims based upon drafts and promissory notes (Wechselschulden) by summary proceedings. A firm not registered must resort to the tedious road of the usual dilatory proceedings. The advantage is obvious and at times very valuable. The disadvantage resulting from registry is an increase of 20 per cent. of all license and income taxes following immediately upon the registry, but this burden is borne by many with a good will, principally because a registered firm finds no difficulty in discounting its paper, while the paper of a non-registered firm goes begging about the streets. Bankruptcy laws as applied to registered firms are exceptionally severe.

THE EXPENSES OF THE COLLECTION OF STATE TAXES.

	Florins.
The total amount of direct taxes collected in 1885 was	96,945,000
Indirect taxes known as—	
Consumption taxes, etc	90,494,000
Stamp taxes	17,600,000
Taxes and fees on legal documents	34,000,000
Additional taxes on traffic in distilled spirits	1,220,500
Tolls	2,462,000
Total	242,721,500

The total expense of collecting the taxes was:

	Florins.
Direct taxes	591,200
Indirect taxes, known as consumption taxes, etc	13,049,420
Stamp taxes	373.000
Taxes and fees on legal documents	800,000
Additional tax on traffic in distilled spirits	15,400
Toll taxes	28,000
Total	14,857.020

THE TAX-ROLL OF A VIENNA BUSINESS MAN.

As an example of the burden of taxation imposed upon the business men of limited capital and very moderate income, I beg leave to submit the following tax-roll which I have obtained permission to inspect.

The example is not by any means one of extraordinary occurrence and does not represent the maximum rate of taxes imposed; on the contrary, the rate as applied to the sum of net receipts is fully 10 per cent. lower than other practical examples which could be easily furnished. The tax-roll inspected includes state and municipal taxes. The taxpayer carries on the business of a printer in a store and basement situate on a by-street; dimensions of store about 25 by 50 feet; annual rental, 2,750 florins; estimated net income per annum, 3,219 florins.

Taxes paid in 1886.

	Florins.
School tax	254.38
Water tax	27.50
Night-watch tax	22.00
License (Erwerbsteuer)	273.00
Chamber of commerce tax	9.97
Income tax	249.28
Personal tax paid in this instance by employer for all employés receiving a salary over 600 florins per annum	165.00
Total	1,001.13

or very nearly 32 per cent. of the estimated net income.

THE PRESSURE OF TAXATION UPON CERTAIN LINES OF INDUSTRY AND BUSINESS.

Unquestionably the Austrian tax system favors the capitalist and the great real-estate owner, and the heaviest tax burden is borne by the merchant and business man of limited means.

The capitalist may invest his millions in tax-free securities and thus escape taxation almost entirely. If he dwells in a palace within a closed city he pays a house-rent tax on its rental value; if his estates are situate in the open country he pays the house-class tax, and in this case it

is to be noted that the wealthy bondholder pays no higher rate of taxation on a marble edifice containing say forty rooms than the owner of a common brick tenement house in the neighboring village with the same number of rooms, because, as already stated, the house-class tax is levied according to the number of inhabited or habitable dwelling-rooms, without reference to the character or cost of the building. The most expensive stables and outbuildings, though they cost thousands upon thousands, are free of tax the same as the straw-thatched barn of the peasant. A millionaire, therefore may enjoy the possession of a grand establishment in the country, a castle containing forty rooms, by paying the comparatively small tax of 220 florins per annum, exactly the same amount which the landlord of the village inn has to pay if he happens to be in the use and occupation of the same number of habitable rooms. But it should be remembered that the landlord of the village inn pays a large license tax and an income tax besides, both of which the man in the castle escapes because he invested his millions in tax-free securities and is not compelled to carry on business to support himself and family. If a large park surrounds the castle, that too, in most cases, is free of tax because it is unproductive, while the garden patch in the rear of the village inn certainly produces something, and is therefore subject to the usual levy for that class of property.

It is quite superfluous to carry the comparison any further; it is evident that, as to the two cases mentioned, there is little uniformity in the system of taxation under consideration. But the tax-payer who carries the heaviest burden is the small merchant and business man generally who carries on business in one of the "closed cities" like Vienna. First of all he pays indirectly a house-rent tax of 45 per cent. of the actual rental value of his dwelling, because the owner of the tenement building takes good care to place his rent high enough, so that he can well afford to pay the tax, of 45 per cent. to the Government. And it is a notorious fact that especially in Vienna the rents of the small flats fit for dwellings of the middle classes are unreasonably high. Next he pays his license tax, to be fixed by the tax officers at a rate decided by them; then the pays a tax on his net income amounting to from 10 to 20 per cent., again as the tax officers may decide; then the chamber of commerce comes in for its share of taxes, and after this follow the indirect taxes, principally the consumption tax, which raises the price of his meat, his bread, his candles, his beer, his wine, in fact everything he puts upon his table or into his kitchen. Even the oats and hay which he feeds to his horses (if his business requires him to keep horses), down to the straw for their bedding, is raised in price by the consumption tariff line drawn around these so-called "closed cities."

As an inevitable consequence Vienna is to-day one of the most expensive cities on the continent of Europe. Many necessaries of life in the shape of good healthy food are so dear that they are placed beyond the reach of the man of moderate means. A mechanic or a clerk or a public functionary, with a salary of barely 1,000 florins per annum, rarely sees a roast on his table. It is self-evident that the high prices of rents and provisions have been the principal factors in shaping the habits and mode of life of the people. Among the middle and lower classes there is little home life. The dwellings are so small and pinched that family gatherings and invitations to friends are impracticable, and the coffee-house and cheap restaurants and public gardens are resorted to for social intercourse as well as for the evening meal, and thousands manage to make a supper out of a glass of beer and a slice of

bread, because more than one substantial meal at their own houses is quite beyond their means. These and many other unavoidable deductions may be drawn from that dry line of figures giving the statistics of taxation in the Empire of Austria.

EDMUND JUSSEN,
Consul-General.

UNITED STATES CONSULATE-GENERAL,
Vienna, April 30, 1887.

BOHEMIA.

REPORT OF COMMERCIAL AGENT HAWES.

Taxes are here of two kinds, direct and indirect.

DIRECT GOVERNMENAL TAXES.

Direct taxes are based upon the real or estimated income and are divided as follows: (1) Land taxes, (2) house taxes, (3)earning tax, and (4) income tax.

Land taxes.—Land taxes are those paid to the government for the use of land (law dated May 24, 1869). According to this law there was first estimated the net proceeds of the production surface of different communities, and then, by adding these figures, there was obtained the total proceeds of all communities represented in the Senate. According to the result, as determined above, were fixed the yearly land taxes which amount to 37,500,000 florins for all states for a period of fifteen years. This amount is divided in proportion among the different states and communites and the percentage thus ascertained. This amounts at present to 22.7 per florin.

At the expiration of fifteen years a re-examination takes place, and the total amount of land taxes and the percentage are again ascertained.

The town of Reichenberg paid for 1887 the amount of 1,683.31 florins upon the net proceeds of 7,447.47 florins, which amount, however, does not quite correspond with the 22.7 per cent., as there are, during the period of transition from one rate to another, some favors allowed by law to land-owners who have to pay higher taxes than they paid under former conditions.

It should be also stated that the Government grants to land which becomes unproductive from the action of the elements exemption from taxes for a period of ten years and to new plantations of forests such exemption for twenty-five years.

House taxes.—House taxes are divided into so-called house-rent taxes and house-class taxes, the distinction being determined by the fact of houses being rented or non-rented (self-used). According to a recent decision there are subjected to house-rent taxes: (*a*) All houses situated in communities in which at least one-half of the houses and residences are rented; or (*b*) those which, being outside of such communities, are yet wholly or partly rented. If, however, there are among the latter houses which contain three sets of apartments which are used by the owner himself and only partly rented, they are subjected to class taxes. Subjected also to class taxes are those non-rented houses in those communities which do not correspond to the conditions of (*a*) in regard to their

dwellings. The result is, therefore, that some communities are only subjected to rent taxes, while others are subjected to rent and class taxes, or to the latter only.

It is generally the case that the capitals of different States and the provincial towns as well as larger communities are included in the rent-tax class, as more than half of the residences are rented, while only small communities belong to the class-tax class, having only a small part or none of their residences rented.

House-rent taxes are estimated in the following manner: Every house proprietor lays before the government authority a statement, giving the amount of rent he receives from his tenants, or if he uses a part of his house himself, to add an amount to it which must be estimated from the rented apartments. These statements are examined by an officer of the town who may alter any found incorrect.

House-rent taxes are of two kinds. In those communities in which such taxes were in force so early as 1820, as in the capitals and Bohemian watering places, there will be deducted from the gross amount of rent received, 15 per cent. for repairs, etc., and upon the balance a tax of 26⅔ per cent. is levied.

In those communities, however, in which rent taxes have been introduced since 1850, 30 per cent. will be deducted for repairs or a mortization and a tax of 20 per cent. levied.

House-class taxes are paid according to the number of unrented rooms of a house, and consist of sixteen classes. The tax for one apartment (sixteenth class) amounts to 1.50 florins, etc., up to the highest class with 36 to 40 apartments (first class), which pays a tax of 220 florins. For the houses whose proprietors are compelled to pay house rent taxes, those which are not mentioned among the communities as per (*a*) already referred to, the class taxes must be fixed according to the tariff, and the rent taxes for the rented rooms are prescribed to the 20 per cent. of the rent received.

But the amount for both these taxes together must not be less than the class taxes for all the apartments of the house according to the tariff.

The Government allows to new buildings and rebuildings an exemption from taxation for a period of twelve years, during which time there are neither house-rent taxes nor house-class taxes to pay. The owners of such houses have, however, to pay 5 per cent. taxes on the amount of rent they receive.

In Reichenberg, where only the house-rent tax exists, the same amounts this year to 106,274.28 florins, and the 5 per cent. tax for houses which are free from house-rent tax to 4,589.86 florins.

Earning taxes.—These taxes were first imposed on December 31, 1812, and must be paid by all independent managed concerns which are estimated to produce a profit.

The law divides these taxes in four different trade classifications, as follows: (1) Licensed factories and wholesale concerns; (2) other trade undertakings; (3) art and trade; (4) private teaching, trade negotiations, and the forwarding of persons and goods.

In the second, third, and fourth categories exist again certain tax rates which are estimated upon the basis of population after four classifications, as follows:

(*a*) For larger capitals; (*b*) for communities of 4,000 inhabitants and more; (*c*) for those with a population of 1,000 to 4,000 inhabitants; and (*d*) for places with less than 1,000 inhabitants.

In each of these classifications exist again several tax rates which are

fixed according to circumstances, and which are imposed upon various trade concerns according to their extension.

For concerns included in the first category none of these classifications in regard to population apply, as these undertakings are independent of the same. There are only fixed a number of tax rates varying from 42 florins to 15.75 florins.

In order to estimate the amount of earning tax there are considered beside the population of the place the nature of the business, the capital invested, the number of employés, the situation of the business, personal qualifications, and the probable productiveness of the undertaking.

The earning tax for Reichenberg for 1887 amounts to 42,759 florins, paid by 2,322 contributors.

Income tax.—This tax has for its object the taxation of income not included in the land or house tax, and furthermore to balance the payment of the third sort of income (earnings) among the contributors themselves with regard to the amount of the productiveness of their business, as this is, in consequence of the great varieties of the earnings tax, often impossible to estimate.

The income tax is divided into three classes. To the first class belong the income of mines and foundries and the profits of leasehold.

The second class includes salaries and other benefits which are paid by the Government, districts, towns, or private persons; also pension incomes of authors, doctors, etc., receipts from "support establishments" and life-insurance companies.

Taxes of the second class are levied only if the yearly income amounts to more than 630 florins.

Assistants, workmen, soldiers, officers, etc., do not pay any taxes.

The third category includes such incomes as the interest on loans and claims, life-rents, or other rents drawn from capital, as long as they do not belong to the second class.

The estimation of the income tax is based upon the statements of the individuals, which are examined by commissioners and if found wrong they are rectified by them.

The rate of income tax for the first and third class is 5 per cent., while the rate of the second class is regulated by a scale. This scale commences with an income of 630 florins; the rate for an income over 630 florins to 1,050 florins is 1 per cent.; from 1,050 florins to 2,100 florins is 2 per cent.; from 2,100 florins to 3,150 florins is 3 per cent.; and so on, 1 per cent. additional for each 1,050 florins more, up to 9,450 florins; the last 1,050 florins of which pays 10 per cent. A further increase of the percentage on an income of more than 9,450 florins is provided against.

Those undertakings which pay according to the third and fourth trade classification (see above), the smallest rate of earning taxes, are free from income tax. All other contributors of the earning tax, however, are subjected to an income tax, which is estimated on a basis of 5 per cent. of the average income of three years. From the amount of the income tax is to be deducted, however, the amount of the earning tax, the excess of the income tax over that of the earning tax is the amount to be paid. The regulations state, however, that the income tax must never be less than one-third of the earning tax, and if this is not the case, the same must be raised accordingly. For instance, A is estimated to pay a tax upon the income of 1,500 florins. The 5 per cent. income tax would amount to 75 florins; he pays an earning tax of 42 florins, which amount is deducted from the 75 florins, and he has to pay therefore an income tax of 33 florins. Were A, however, estimated to

pay an earning tax of 63 florins, there would only remain 12 florins as an income tax, which amount must, according to the instructions above referred to, be raised to 21 florins (one-third of 63 florins of the earning tax). In the latter case it should be observed A would be estimated with too high an earning tax, which would make it necessary for him to claim a reduction. The Government collects, besides the regular income and earning tax, also a special additional amount as high as the regular tax, *i. e.*, the earning and income tax are paid double.

Only those tax contributors of the first class who pay as an earning and income tax together not more than 30 florins, and those of the second class who pay an income tax not greater than 30 florins, are charged with an additional 70 per cent. of the regular tax.

For the land and house taxes there is no special additional amount to pay. The yearly proceeds for Reichenberg from the income tax alone amounts to about 97,300 florins.

Land taxes must be paid monthly in advance. House taxes and the 5 per cent. of these houses which are free from taxes must be paid quarterly in advance, commencing with the 1st of January. The earning taxes must be paid on the 1st of January and 1st of July of every year and the income tax quarterly, commencing with the 31st of March. In case of non-payment of any of these taxes execution may take place.

The above taxes are governmental. In addition to these the inhabitants are called upon to pay county, district, and town taxes.

COUNTY, DISTRICT, AND TOWN TAXES.

The estimation of these county, district, and town taxes is based upon the land taxes, house taxes, earning and income taxes, the latter two kinds of taxes including the special additional Government taxes. The houses which are free from other taxes have to pay this assessment of taxes, which will be estimated as if no other exemption existed. On the other hand there will be no collection of taxes from the houses which are tax-free of the 5 per cent. taxes.

The percentage of the assessment will be fixed yearly by appointed representatives according to requirements. In Bohemia the land assessment, for instance, was, in 1886, 35 per cent. of all direct taxes, and this year it will amount to 35½ per cent. It is the same thing with the district assessments in those States where autonomous district representatives exist.

A second kind of district, which provides only for the most necessary needs of the schools, particularly of the teachers' salaries, are the school districts. In these districts are collected the district school taxes. The regulations fixing the amounts of these taxes vary in the several States. In Bohemia it is the rule that those school districts which can not cover their needs with an assessment of 10 per cent. are supported by the Government. Such support, however, is not granted to those towns which have their own school district (Prague, Reichenberg, and Königgratz), which must pay their own expenses.

Any community in Bohemia has the right to levy an extra assessment to defray expenses for building or repairing public school buildings, which the people have to pay.

Reichenberg collects from all direct taxes a school assessment of 12 per cent. and a community assessment of 25 per cent. The tax-payer of Reichenberg has then to pay—

(1) The Government taxes for land or houses; taxes for a trade or other source of income, including the special additional taxes.

(2) The Bohemian assessment of 35½ per cent.
(3) School district taxes of 12 per cent.
(4) To the community an assessment of 25 per cent., based on the taxes paid the Government.

In addition, the town of Reichenberg, according to its statutes, is entitled to a special assessment of 5 per cent. of the rents. This tax is paid by all parties who rent apartments or houses, and also by house owners for the rooms which they themselves occupy. Those parties who pay a rent of not more than 25 florins yearly are exempt from the above tax.

The magistracy collects, besides the direct taxes, also indirect taxes; the latter are only paid for special occurrences and are not current taxes. They consist of fees for legal documents for the transfer of property, real or personal, etc.; also taxes upon eatables, brandy, spirits, pressed yeast, wine, cider, meat, cattle, sugar, and mineral oil, licenses for the sale of brandy, spirits, etc.; tax on the consumption of those articles controlled by government monopoly, such as salt, tobacco, etc., also exists, as well as one upon lotteries, which are flourishing institutions in this country. The methods of making the above assessments are too varied to be considered. A community has also the right, after having received the concession, to collect a tax on certain extra articles of consumption. Reichenberg collects, for instance, 1 kreutzer for each liter of beer sold by retail and 3 florins for each hectoliter of wine; 3 kreutzers for each bottle of wine; from 3 florins to 8 florins for each hectoliter of spirits, according to its strength, and 4.50 florins per hectoliter or 100 kilograms for those spirits which can not be measured with the alcoholometer.

The collection of the direct taxes and a large part of the indirect taxes is made by imperial tax officers. The imperial custom-houses collect also some indirect taxes, but the greater part of the latter are farmed out. The imperial tax officers collect also land assessments, and in Bohemia also the district and school taxes, without charging the communities for the work. Community assessments are generally collected by community authority. Those towns which form their own administrative districts, as Prague and Reichenberg, have to pay their own expenses of collection without any compensation from the Government.

JOHN B. HAWES,
Commercial Agent.

UNITED STATES COMMERCIAL AGENCY,
Reichenberg, August 5, 1887.

Table showing expenses and provisions for expenses of the town of Reichenburg.

Items.	Florins.	Items.	Florins.
Ordinary expenses.		*Extraordinary expenses.*	
Expenses of the administration in general:		Public buildings	
Expenses for the representatives of the town	3,030	Paying debts	20,000
Salaries to clerks, servants, etc	27,185	Local police expenses	49,666
Pensions, charities, etc	2,509	Plans for the town	6,000
Fees and accommodations	200	Buying land for street purposes	14,861
Office expenses	4,520	Different extraordinary expenses	
	37,464	Total extraordinary expenses	90,527
		Total expenses	280,972
Expenses for the property of the town:		*Ordinary provisions.*	
Imperial taxes	4,926	Income of fees and contributions	650
Repairing buildings	1,346		
Theater	10,110	Income of the town property:	
Estates	112	Theater	6,175
Marke booth	986	Building	13,653
Town revenue	108	Estates	1,874
Paying debts	2,949	Market booths	1,600
Interest	2,281	Capital	
	22,818	Net proceeds of old material	20
		Town revenues	72,439
Expenses for the local police:			95,761
Cleaning the town	7,400		
Investigation	8,523		
Public parks	120		
Public lighting	14,861	Income of the local police:	
Canals	1,000	Building, street, and fire police	545
River police	1,600	Sanitary police	210
Aqueduct	1,341	Fines	400
Local sanitary	1,890		
Market police	20		1,155
Fire police	1,987		
Town horses, etc	3,676	Income of all kindergarten	2,120
	42,418		
Expenses for humanity, etc:		Income of schools:	
Donation to the poor	14,000	Public schools	13,196
Donation to poor-house	5,100	Commercial schools	11,344
Donation to public kindergarten, orphan asylum, etc	150	Other schools	12,000
Kindergartens	3,610		36,480
Subscriptions and contributions	2,068		
	24,928	Income of the service rendered to the Government:	
Culture expenses	185	Compensation for recruiting expenses	130
		Military quartation	7,234
School expenses:		Compensation for horses	120
Public school	25,660	Compensation for public safety	300
Commercial school	11,835		
Government technical school	2,350		7,784
Various other expenses	600		
	40,474	Different incomes	300
		Total ordinary provisions	144,250
Expenses for services rendered to the Government:		*Extraordinary expenses.*	
Expenses for recruiting service and conscription	400		
Military quartation	3,576	Town property (forest)	1,800
Expenses for additional horses	500		
Expenses for public safety	16,383	Total provisions	146,050
	20,859		
		Total amount of expenses	280,972
Various expenses	1,305	Total provisions for expenses	146,050
Total ordinary expenses	190,451	Balance*	134,922

* This balance is covered by a 25 per cent. tax based upon all direct taxes and the additional tax from the land tax, 1,600 florins; house-rent tax, 124,000 florins; earning tax, 83,000 florins; income tax, 167,000 florins—amounting to 93,922 florins; and a 5 per cent. assessment of all rent paid, which amounts to 850,000 florins, after deducting the tax for empty rooms, 41,000 florins, making a total of 134,922 florins.

REPORT OF CONSUL JONAS.

The Austrian Empire, of which Bohemia forms a part, has an area, exclusive of the Kingdom of Hungary and its dependencies, of about 122,000 square miles, and a population of 22,145,000 souls, according to the census of 1880, showing an average of 181 inhabitants to the square mile. Bohemia has an area of nearly 20,000 square miles, with a population of 5,560,819 souls, which shows a density of 278 inhabitants to the square mile. With about one-sixth of the area of the Empire, it contains fully one-fourth of its aggregate population.

Being on the whole a fertile and industrious country, Bohemia bears rather more than its share, in proportion to area and population, of the imperial taxation of Austria.

IMPERIAL TAXATION.

The imperial or national taxation in Bohemia is regulated by the general revenue laws of the Austrian Empire.

I shall confine myself in the present report to a brief statement of the nature and amount of those taxes as levied in Bohemia.

THE DIRECT TAXES IN BOHEMIA.

I. *The land tax*, fixed at 22.7 per cent. of the clear profit from the yield of agricultural lands for a period of fifteen years, beginning January 1, 1881, which profit was ascertained by the imperial central commission at 167,955,507 florins for the whole Empire, and at the figure of 50,831,770 florins, or 30.81 per cent. of the whole for Bohemia, the Austrian florin being equal in value to about 38.5 cents. Since then a re-adjustment has been made reducing the figure for Bohemia about 2,000,000 florins.

II. *The house tax*, according to the law of 1882 subdivided as follows:

1. The house rent, or tenement tax, levied in the following manner: (*a*) in all towns where at least one-half of all the separate dwellings or habitations are rented; (*b*) on buildings situated outside of such towns, which are wholly or partially let to tenants, excepting, however, buildings containing no more than three separate dwellings, and in which the owner resides, letting them only in part to tenants.

This tax is equal to 20 per cent. of the clear yield of the rent, after deducting 30 per cent. for the maintenance of the building.

2. The classified house tax. It is regulated by a scale dividing the houses into sixteen classes, according to the number of separate dwellings they contain. The first, or highest class, imposes a tax of 220 florins, the lowest of 1.50.

3. The 5 per cent. tax levied on the clear profit from new buildings, temporarily exempt from other taxation, the period of such exemption being twelve years. Permanently exempt from taxation are churches, state buildings, barracks, and hospitals.

III. *The tax on business.*—The different businesses or occupations are ranged in four great divisions, in which the tax is classified according to population.

The first division comprises manufactories divided into eight classes, the tax ranging from 42 florins to 1,575 florins.

The second division includes commercial enterprises, wholesale houses, banks and institutions of credit, insurance companies, railroads.

Commercial establishments in Prague, the capital of the country, are

divided into four classes, and the tax ranges from 52.50 florins to 315 florins. In towns with a population exceeding 4,000 there are three classes, and the tax ranges from 42 to 105 florins. In towns having a population between 1,000 and 4,000 there are also four classes, and the limits of the tax are 31.50 florins and 84 florins.

In all places with a population under 1,000 there are four classes, with a minimum tax of 2.10 florins, and a maximum of 16 80 florins.

The third division embraces arts and trades. In Prague they are divided into eight classes, the tax ranging from 3.15 florins to 105 florins; in the other towns they are divided according to the above scale, with regard to population, into six, five, and four classes, respectively, the corresponding limits of the tax being 3.15 florins to 52.50, 2.62½ florins to 31.50, 2.10 florins to 16.80.

The fourth division embraces persons engaged in services as teachers, carriers of persons and goods, or common carriers, and as middle-men to facilitate business. Owners of educational institutions, private teachers, music teachers, etc., are taxed in Prague from 3.15 florins to 12.60 florins; in towns of 4,000 inhabitants or over from 2.10 florins to 4.20 florins.

Middle-men in business pay in Prague from 40 to 210 florins; in towns of 4,000 people or more, from 26.25 to 63 florins; in towns with a population between 1,000 and 4,000, 10.50 florins to 21 florins; and in all other places 5.25 florins to 15.75 florins.

Common carriers pay in Prague from 8.40 florins to 52.50 florins; in other towns, according to the above scale of population, respectively, 5.25 to 21 florins, 3.15 florins to 15.75 florins, and 2.10 to 8.40 florins.

The above rates, however, only represent the ordinary amount of the tax according to the original levy; but there is now also an extraordinary addition levied, equal in amount to the above figures, actually doubling the tax, except in cases where the aggregate sum of the ordinary tax on business and the income tax of the first or the income tax of the second class does not exceed 30 florins. In such cases the extraordinary addition to the tax on business is only seven-tenths of the ordinary tax.

IV.—*The income tax.*—It is designed to tax that income which is not reached by the land and house taxes.

The incomes are divided into three classes:

1. Income from such branches of business as are subject to the tax on business; income from mines and foundries; income from rents.

2. Salaries and pay of officials and employés; the income of artists, authors, physicians, private teachers, etc.; income of religious orders, from foundations, and public funds.

3. Income from interest on loans, except such loans as are secured by mortgage on taxable real estate; income from annuities.

This tax is assessed annually to the amount of 5 per cent. on all incomes of the first and third classes; 1 per cent. on incomes of the second class from 630 to 1,000 florins; and then 1 per cent. more on every increase of 1,000 florins, until the limit of 10 per cent. is reached, which the tax can not exceed.

As in the case of the tax on business, there is levied an extraordinary addition, equal in amount, by which the actual tax is doubled.

Tax-payers, however, whose tax on business and income tax of the first class or income tax of the second class do not exceed 30 florins in the aggregate, pay an extraordinary addition of only seven-tenths of the ordinary income tax.

Exempt from the income tax are, in the first class, the incomes from

arts, trades, private instruction, and from the carrying trade of those persons who are put in the lowest class of business tax-payers; in the second class, salaries and fixed incomes under 630 florins; in the third class, the incomes from deposits in savings banks, the interest from capital and securities, when the annual income of the persons drawing the same does not exceed 315 florins.

The actual amount of the direct taxes raised in Bohemia for the imperial treasury in the year 1886 was the following:

	Florins.
Land tax	11,226,450
House-rent tax	4,558,027
Classified house tax	1,285,463
Five per cent. house tax	238,797
Tax on business	3,112,941
Income tax	5,299,356
Penalties for delinquent taxes	93,779
Interest on delayed taxes	72,352
Total	25,892,165

The entire amount of direct taxes raised in the Austrian Empire in the same year being 101,458,824 florins, the percentage borne by Bohemia is about 26, and the amount per head of population nearly 4.80 florins.

INDIRECT TAXES.

I. *The excise or tax on consumption* (*Verzehrungssteuer*). This tax is levied, as a rule, upon wine, cider, beer, spirits, meat, beet-root sugar, since September 1, 1882, on mineral oil produced by refining, the density of which does not exceed 870.001 of the density of pure water; finally, since October 1, 1884, on pressed yeast of spirits. In Prague, which is called a "closed city," by way of distinction from the "open country," some additional articles of consumption are subject to this tax, as will be seen further on.

The rate of the excise is not equal. In Prague it is higher than in the open country. In many cities and towns a communal addition to the general tax is raised for local purposes, but only on articles consumed in the respective city or town.

The tax is paid either at the time of the manufacture of the taxable article or at the time when it is carried across the tax line of a closed city (namely Prague), and sometimes at a time nearer the actual consumption of such article.

Wine and cider pay no tax when sold at wholesale, that is, in quantities exceeding 1 "eimer," equal to about 12 gallons, or in quantities of at least 50 bottles put up in baskets or boxes. Retailers pay the wine tax at the following rates: In Prague, per hectoliter, 3.18 florins; in the open country, per hectoliter 2.97 florins, the hectoliter being equal to 26½ gallons of wine measure, and 1 florin being equal to about 38.5 cents. Artificial wines are subject to the tax in Prague only. The tax on beer is levied on the quantities brought to the cooler, according to the percentage of extract contained in the beer-wort, and ascertained by the official saccharometer at 14° R. before fermentation. The amount of the tax is 16.7 kreuzers on each degree of the reported extract from every hectoliter of the beer-wort. Special permission is necessary to manufacture beer-wort over 20 degrees of the saccharometer, and a watering of the produced beer-wort is not allowed.

In Prague there is levied an additional tax of 7 kreuzer to each degree of the saccharometer. Beer brought into Prague pays 70 kreuzer

per hectoliter. On beer carried out of Prague there is a restitution of 74 kreuzer per hectoliter; on beer exported abroad in quantities of at least 1 hectoliter, the tax of 16.7 kreuzer is paid back, or there is a drawback paid of 1 florin 50 kreuzer per hectoliter, regardless of the strength of the beer-wort from which it was made.

The tax on spirituous liquors is 11 kreuzer on every hectoliter and every degree of alcohol, according to the prescribed centigrade alcoholometer, and is paid at the time of manufacture. The same tax is levied on vinegar when produced from fermented mash by distillation, according to its alcoholic strength. If the production of pressed yeast is connected with the manufacture of liquors or vinegar, 30 per cent. is added to the above tax rate.

A drawback equal to the whole amount of the tax, with an addition of 10 per cent. to cover expenses, is paid to the exporters of liquors in quantities of no less than 25 liters.

A similar drawback is paid on such liquors as are used in the manufacture of articles which do not enter into human consumption.

The tax on sugar made from beet-root.

This is by far the most important item of indirect taxation in Bohemia, considering that of the 212 beet-root sugar manufactories which existed in the whole Austro-Hungarian monarchy during the campaign of 1885–'86, 137 were located in Bohemia alone.

The tax, in fact, is not levied on sugar, but on the beet used in its manufacture at the rate of 80 kreuzer per metrical centner or 100 kilograms of beet, 1 kilo being equal to 2.2 pounds avoirdupois.

The quantity of sugar produced is about 11 per cent. of the quantity of beet in weight, and from 1 metrical centner or 100 kilograms of raw sugar there is produced 87.5 kilograms of refined sugar. The tax on 1 metrical centner of raw sugar is therefore about 7 florins 20 kreuzer, and on refined sugar 8 florins 22 kreuzer.

The drawback on exports is 8 florins 40 kreuzer per metrical centner of raw sugar, containing 88 to 92 per cent. of saccharine matter, and 9 florins 40 kreuzer per metrical centner of raw sugar containing over 92 per cent. of saccharine matter. On refined sugar the drawback is 11.55 florins per metrical centner. Consequently there is a clear bonus paid on the exportation of sugar from 1.20 florins to about 3.33 florins per metrical centner.

So far the system of taxing the production of sugar would seem to be very advantageous to the producer or exporter; and yet complaints about the unjust and burdensome character of the system are quite general in Bohemia. This is explained by the following corollary of this tax law; the imperial treasury exacts a fixed amount as the clear proceeds of the sugar tax, and an eventual shortage must be covered by an additional tax levied upon the sugar manufacture. The subjoined figures relative to the "sugar campaign" of 1885–'86 (which does not correspond with the fiscal year) will make it plain.

During that period 16,086,407 metrical centners of beet were used up in the Bohemian sugar-mills, on which a tax of 12,869,126 florins was paid; the amount of 10,724,647 florins was returned as a drawback on exported sugar, being nearly five-sixths of the tax. But in order to raise the amount due the imperial treasury an additional tax of about 42 kreuzer per metrical centner was levied, amounting in all to 6,727,877 florins. Consequently the actual amount of tax paid on sugar manufactured in Bohemia was 19,597,003 florins; deducting the drawback, it leaves 8,872,356 florins as the actual receipts of the treasury.

During the "sugar campaign" of 1886–'87, the output was much greater, as will be seen from the subjoined figures:

	Metrical centner.
Beet used in the manufacture	27,974,784
Sugar produced	3,077,226
Tax paid	22,379,827
Sugar exported	1,141,740
Drawback on exports	10,732,438
Additional tax (estimate)	7,200,000
Total amount of tax about	29,579,827

The complaint is that the tax does not bear equally on all manufactories.

1. It is paid according to the capacity of the "diffusers," ascertained and fixed by a commission at the start of the campaign, but the capacity of some diffusers may be increased beyond the legal limit by a different arrangement, and the "quotient" of the filling raised, so that one factory actually pays about 80 kreuzer per metrical centner of beets, another perhaps only 72 kreuzer.

2. The quality of beets is also different. The percentage of saccharine matter varies between 11 and 15. At 11 per cent. there can be made 1 kilogram of sugar from 9.1 kilograms of beets, on an ideal calculation, regardless of losses; at 15 per cent. the result is 1 kilogram of sugar from 6.7 kilograms of beets, consequently a tax of 80 kreuzer on a metrical centner of beets having 11 per cent. of saccharine matter is equal to 7.27 florins on a metrical centner of sugar, whereas at 15 per cent. of saccharine matter it makes only 5.33 florins. On a quantity of say 250,000 metrical centners of beets worked up in a sugar mill it makes a difference in the tax of 48,000 florins, which is very great.

3. The manufacture of beet-root sugar has not yet reached such a degree of perfection as to be carried on without any loss of saccharine matter. This loss may be different according to the arrangements of the mill. One mill works with a loss perhaps of 1.5 per cent. of sugar in proportion to the weight of the beets; another with a loss of 2.5 per cent., so that in the first case the mill pays a tax of 10 kreuzer on every metrical centner of beets for sugar which is not produced; in the second case it pays 16.6 kreuzer; in other words, if 250,000 metrical centners of beets are used, the mill pays a tax of 25,000 florins on its actual loss in the first case, and 44,000 florins in the second case.

4. Some sugar mills are prepared to reduce molasses to sugar by means of strontianite, or by Stephen's method of extraction, or otherwise. They do not pay any tax on this sugar; yet, on exporting it, they receive the drawback, and all other sugar mills have to contribute through the additional tax to make good this bonus.

A change in the taxation of the sugar industry is now under consideration, touching also the mode of payment. The present tax is paid one month in advance, either in cash or by draft; by the new plan it would only be paid when the product is taken from the mill; that is, sold. Sugar, therefore, could be sold with much more security than at present, when the seller does not know whether he sold with profit or at a loss, being ignorant of the amount of the additional tax, which is only fixed at the close of each campaign (August 1).

The tax on meat is levied on all beasts slaughtered for the market and all meats for sale. The amount to be paid is fixed either by agreement between the revenue officers and the respective business men at a given place, or the tax is collected by the revenue officers according to the prescribed tariff, or its collection is rented for a fixed amount.

The tariff for the open country classifies the tax on meat according to population. The first class embraces all places with more than 20,000 inhabitants; the second class all places with 10,000 to 20,000 inhabitants; the third class all other places.

The rate of the tax in the first class is double the rate in the third class, and the second class holds the middle between the two.

	Florins.
Oxen, steers, cows, and calves over one year old, pay in the first class	5.04
Calves under one year	.84
Sheep and goats	.32
Lambs not over 14 kilos	.21
Young pigs from 5 to 19¼ kilos	.63
Pigs over 19¼ kilos	.26
Fresh meat, that is, parts of beasts slaughtered for food	1.87

The city of Prague has its own scale.

The tax on pressed yeast and on mineral oil in Bohemia is of small moment.

The actual results of the tax on consumption in the year 1886 are shown by the following figures, obtained from the Imperial and royal central revenue bureau of Bohemia:

	Florins.	Florins.
Wine and cider		46,383
Beer		9,273,639
Spirituous liquors and pressed yeast		2,676,448
Beet-root sugar		29,253,536
Meat		677,418
Mineral oil		1,127
Rent		956,574
Total		42,885,125
Returned taxes	1,226,892	
Incidental expenses	3,563	
		1,230,455
		41,654,670

The average amount of the tax on consumption for each inhabitant was 7.50 florins.

II. *License.*—Since October 1, 1881, there is a license imposed—

(1) Upon the sale of ardent liquors by the glass, in dram-shops, which is paid half-yearly in advance. It is a very moderate license and graded according to population, as shown by the following scale:

In places with—	Florins.
Less than 500 people	5
Less than 500 to 2,000 people	10
Less than 2,000 to 10,000 people	20
Less than 10,000 to 20,000 people	30
Less than 20,000 to 100,000 people	45
In Prague	50

(2) Retail dealers in spirituous liquors sold in quantities of at least one-eighth liter, not to be drunk on the premises, pay two-fifths of the above license rates; dealers selling in closed vessels or bottles, in quantities of 1 liter or less, pay one-fourth of the above rates.

(3) Keepers of hotels, inns, boarding-houses, coffee-houses, and the like, selling liquors by the glass or in bottles of not over 1 liter, pay one-fifth of the above rates, provided that the amount of this license must not exceed one-fifth of their tax on business:

	Florins.
License collected in 1886	344,286
Expenses	4,997
Net amount of license in 1886	339,289

III. *Imposts and dues*, to which are subject sales and conveyances of property, records and judgments, notarial acts, appointments to certain offices and benefits, commissions of lawyers, notaries, agents, brokers, entails, liens and privileges, deposits:

	Florins.
Amount collected in 1886	8,254,652
Expenses	225,189
Net surplus	8,029,463

IV. *Stamp taxes.*—Subject to the stamp tax are play cards, almanacs, newspapers (one kreuzer per copy), bills of exchange, checks, accounts and receipts, bills of lading, promissory notes, business books, etc.:

	Florins.
Amount collected in 1886	4,835,726
Expenses	67,512
Net surplus	4,768,214

V. *Tobacco monopoly.*—A considerable amount of indirect taxes is raised by means of monopolies, of which the leading one is tobacco:

	Florins.
Receipts from sale of tobacco in 1886	20,670,085
Expenses	305,033
Net receipts	20,365,052

The consumption of tobacco in Bohemia was equal to 3.60 florins per head of the population, and the gross receipts were about 28 per cent. of those of the whole Empire. The manufacturing expenses, according to the estimates of the general revenue law, make 32 per cent. of those of the gross receipts.

VI. *Duties on imports* in 1886 showed the following figures:

		Florins.
Amount received		10,234,356
Expenditure:		
Drawback of tax on liquors	492,999	
Drawback of tax on beer	172,665	
Drawback of tax on sugar	6,622,666	
Total of drawback	7,288,330	
Amount of duty returned	132,848	
Security returned	52,395	
		7,473,573
Clear surplus of receipts		2,760,783

VII. *Tolls on roads, bridges, and rivers* showed in 1886 the following figures:

	Florins.
Receipts	606,902
Expenses	980
Net receipts	605,922

Recapitulation of indirect taxes raised in Bohemia in the year 1886 *for the Imperial Austrian treasury.*

	Gross.	Net.
	Florins.	*Florins.*
Tax on consumption	42,885,125	41,654,670
License	344,286	339,289
Imposts and dues	8,254,652	8,029,463
Stamp taxes	4,835,726	4,768,214
Tobacco monopoly	20,670,085	20,365,052
Duties on imports	10,234,356	2,760,783
Tolls	606,902	605,922
Total	87,831,132	78,523,393

The amount raised from indirect sources is about 15.80 florins per head of the population, and the proportion between direct and indirect taxes is shown by the following figures:

Direct taxes in 1886	24.80
Indirect taxes in 1886	75.20
	100.00

Such is the exhibit made by the central revenue bureau, which at the same time gives the aggregate cost of all the imperial revenue bureaus in Bohemia at 1,057,549 florins.

But the amount of indirect taxation is somewhat overstated, as it includes the entire receipts from the tobacco monopoly. Estimating the expenses of production at 32 per cent. of the gross receipts, as stated above, the actual amount of the tax on tobacco would be a little over 14,000,000 florins.

On the other hand, the above exposé does not include the salt monopoly and the receipts of the State lottery.

The sale of salt being free it is impossible to ascertain the quantity consumed in Bohemia and the receipts therefrom, but it may be roughly estimated at 25 per cent. of the consumption in the whole empire.

The entire receipts were in round numbers 20,000,000 florins, the expenses of production 2,600,000 florins, hence the gross receipts in Bohemia about 5,000,000 florins.

The receipts of the State lottery in the whole empire were in 1886 about 20,000,000 florins, to which Bohemia contributed 20 per cent., or about 4,000,000.

Provincial and local taxation is based mainly upon the direct imperial or national taxation. The revenue necessary for provincial and district purposes is raised by an addition to the direct taxes levied for the imperial treasury. In 1886 this taxation showed the following actual results: (1) Addition of 35 per cent. for provincial purposes, 9,725,547 florins. (2) Addition for district purposes of various percentage in different districts, 3,265,476 florins. (3) Addition for school purposes, also varying in percentage, 2,337,329 florins. Total (an addition of 59.20 per cent.), 15,328,352 florins.

The local taxes are raised by similar additions to the direct imperial taxes; further, when authorized by special permission of the provincial authorities, by taxing the sale of alcoholic beverages, and the consumption of different other articles. The total amount of such local taxation is somewhat difficult to ascertain, but it may be approximately stated for the year 1886 at the following figures:

	Florins.
City and town additions	5,800,000
Local school additions	2,000,000
Local excise	2,000,000
Total	9,800,000

The provincial and local taxation is consequently about equal in amount to the direct taxes raised for the imperial treasury. The total amount of all taxes levied in Bohemia in the year 1886 reaches the figure 130,000,000 florins, or about 23.25 florins per capita.

REVENUE AND EXPENSE ACCOUNT OF THE CITY OF PRAGUE.

The city of Prague, as a municipality, has a population of 180,000 with the suburbs, which still maintain their municipal independence the population of the Bohemian capital reaches the figure of 300,000

The police district of Prague includes all the suburbs, and the police department is a State institution, for the maintenance of which the city contributes a fixed amount. The following tables show the expense and revenue account of Prague according to the estimates of the year 1887:

Table showing expenses and income of the city of Prague.

Ordinary expenses.

	Florins.
Administrative expenses	498, 285
Pensions	73, 827
Taxes and dues	44, 359
Dues for ecclesiastical functions	3, 751
Schools and educational institutions, except common schools	220, 145
Benevolent institutions	187, 445
Sanitary department	50, 574
Public safety:	
Contribution to police fund. 51, 630	
City jail 20, 432	
Fire department 52, 786	
	143, 299
Cleaning of sewers and streets	255, 575
Lighting of streets and public buildings	58, 122
Maintenance of sewers and streets	37, 698
Maintenance of water-works, etc	100, 593
Maintenance of bridges and public realties	77, 303
Maintenance of public parks	41, 691
Interest on city debt	600, 969
Quartering of troops	31, 285
Sundries	24, 160
Total ordinary expenses	2, 449, 081

Extraordinary expenses.

New buildings and laying out new parks	41, 415
Establishing new communications	103, 685
Sundry expenses	215, 294
Sinking fund	127, 766
Total extraordinary expenses	488, 160
Expenses of the estate of Lieben	9, 401
Total expenditure	2, 946, 642

Ordinary income.

	Florins.
Proceeds from the city realties	469, 626
From indirect city taxes and dues	597, 880
City charges or fees	8, 300
Water tax	150, 000
Interest from capital and shares	22, 517
Tuition, except common schools	27, 787
Permanent quartering of soldiers	26, 403
Compensations	67, 678
Income of local police fund	12, 305
Sundry receipts	82, 538
Total ordinary income	1, 465, 034

Extraordinary income.

Receipts for sold realties	472, 994
Sundry receipts	5, 830
Total extraordinary income	478, 824
Income from the estate of Lieben	10, 590
Total income	1, 954, 448

Balance.

Total expenditure	2, 946, 642
Total income	1, 954, 448
Deficit	992, 194
Accumulated deficit of the years 1884-1886 from extraordinary causes	299, 075
Total deficit	1, 291, 269

To cover the deficit the following local taxes are levied:

	Florins.
1. Additions to the direct taxes—	
15 per cent. to the house-rent tax (2,521,157 florins)	378, 174
16 per cent. to the tax on business exceeding 8 florins 40 kreutzer (319,726 florins)	51, 156
25 per cent. to the income tax (1,595,992 florins)	398, 998
2. Special tax on rent—	
3 per cent. on rents of 100 to 300 florins (2,928,633)	87, 859
5 per cent. on rents over 300 florins (7,251,530 florins)	362, 577
Total from additions to direct taxes, leaving 12,505 florins to be covered by savings	1, 278, 764

Nature of the indirect taxes and dues.—The most important items of this class of the city's revenue are the local additions to the excise or tax on consumption, the yield of which amounts to 448,674 florins, and the gate or pavement toll 75,000 florins.

The city of Prague has entered into an agreement with the general Government, taking upon itself the collection of the excise, the road-toll and the river-toll, and paying a fixed amount into the Government treasury. This agreement is renewed every three years.

The estimate for the present year shows the following figures: Excise or tax on consumption, 1,418,674 florins; road-toll, 70,000 florins; river-toll, 50,000 florins.

Of the excise the city pays over to the Government 970,000 florins, leaving the amount stated above for the city treasury. The other two items go to the Government treasury in full.

Cost of collection.—The subjoined table shows the actual expense of the collection of the above-mentioned indirect taxes in the city of Prague:

	Florins.		Florins.
1. Salaries of officers	63,843	Lighting	1,049
Allowance for rent	8,906	Heating	1,804
Daily wages of men employed	70,662	Sundries	10,984
Expense of toll-gathering	7,685		
2. Office rent	5,622	Total	171,717
Printing expenses	1,162		

The whole amount collected was in round figures 1,600,000 florins; consequently the cost of collection equals about 10.73 per cent. of the collected amount; hence the collection of the said indirect taxes appears to be comparatively very expensive.

Mode of collection.—The excise or tax on consumption is collected according to the scale or tariff either at the place of the manufactures of such articles as are subject to it, or at the offices established on the city limits. Only the collection of the tax on the city limits is done under the above-mentioned agreement by the city authorities, whereas the tax on the manufacture inside the city limits is collected by the Government revenue officers. On the spirits brought to Prague only the city tax is levied, the Government tax being paid at the place of their manufacture.

According to the principle underlying the taxation of consumption only, the articles consumed in Prague are subject to the tax, hence there is a drawback paid equal to the full amount of the tax on such of the taxed articles of consumption as are carried out of Prague. The application of this principle, however, is limited to beer, flour, bran, and spirits. Articles in transit through Prague are of course entitled to the same restitution of the tax.

Of road toll there is collected from every head of harnessed draft animals entering the city 4 kreutzers, and from every head of driven animals 1 kreuzer or ½ kreuzer, according to weight. The gate toll or pavement tax is levied to the amount of 10 kreutzers on every head of draft animals entering the city and hauling a load over 300 kilograms.

The taxes collected at the city limits are daily turned over to the central revenue bureau.

The amounts raised within the city are adjusted monthly between the Government and the city revenue bureau, when the monthly installment of rent is paid.

At every revenue office special rolls are kept for each of the said taxes, in which the amount of the tax is entered, and a corresponding card handed to the tax-payer, who must pay the tax to the receiver.

The taxable article is then inspected, and in case of fraud a penalty equal to five times the amount of the tax is imposed. The control of the rolls and receipts is carried on at the central revenue bureau.

The scale or tariff enumerates hundreds of articles of common consumption, classified under fifty different heads, which are subject to the tax in the city of Prague. It includes all kinds and grades of liquors, beer, wine, cider, mead, vinegar, cattle, and all beasts for slaughter, fresh and salted meats, smoked meats and sausages, ham baked in bread, poultry, wild birds, game, fish (fresh and salt, and prepared in boxes), shell-fish, rice, flour, and meal, and all products of flouring mills, bread and all breadstuffs, and grain, hay, bran, and all kinds of feed, straw, long or chopped; vegetables and kitchen stuff, fruit of

all kinds, fresh, dry, or preserved; butter in every shape and all kinds of lard and fat; cheese, eggs, soap, wax, and articles made therefrom; every description of oil; fuel of every kind.

At the head of this revenue department there is a so-called administrator, elected by the board of aldermen, who draws no salary for his services. At the central office there are employed the following officers: One treasurer and book-keeper, 1 chief reviser, 4 revisers, 1 assistant, 3 messengers.

For special supervision of the service: One chief inspector, 1 comptroller of tolls, and 2 inspectors of the force.

The revenue service on the city limits requires a force of 59 officers, 29 superiors inspectors, 109 inspectors, and 13 tollmen.

The general revenue department of Prague.—The revenue department of the city collects all the imperial direct taxes, as well as the provincial, local, and school additions. The amount thus collected in 1886 was 7,153,771 florins. The cost of this department in the same year was as follows: The revenue officers proper, 36,158 florins 30 kreutzers; the controlling and reporting officers, 23,148 florins 93 kreutzers; special charges for collecting delinquent taxes, 4,796 florins; in all, florins 64,103.23.

Hence the expense of collection of this class of taxes was not quite 9 per cent. of the amount collected.

Burden of taxation.—The tax on consumption weighs heavily on the poorer classes of the city's population. Being levied on nearly all articles of common consumption and on the necessaries of life, it increases the cost of living, which increase, even though it may be small in its general percentage, is felt especially by the working classes in a community where wages are low, and common labor is paid only from 60 kreutzers to 1 florin (about 25 to 39 cents) a day.

Buildings for dwelling purposes or tenements are heavily loaded with taxation. In the year 1886 there was raised the amount of 3,631,252 florins 56½ kreutzers as house-rent tax, including the provincial, local, and school additions, besides the special rent tax of 445,695 florins 13½ kreutzers; in all, a tax of 4,076,947 florins 70 kreutzers on tenement buildings. The whole income from the rent of such buildings having been 10,180,163 florins, the tax actually exceeded the proportion of 40 per cent. of the income. This enormous taxation is the principal reason why the suburbs of Prague do not desire to unite with the capital into one municipal body, their burdens in this regard being perceptibly lighter.

CHARLES JONAS,
Consul.

UNITED STATES CONSULATE,
Prague, September 16, 1887.

BELGIUM.

REPORT OF CONSUL STEUART.

Reliable statistical details upon any subject it is almost impossible to obtain in this country, hence any statement given must be considered as approximative and not as positively correct.

There is no publication giving the manner, rate, and amount of taxation, and all inquiries are met with the reply that the system of business taxation is too varied, complicated, and voluminous to be explained

in any communication that could be made, and this indeed seems to be the fact.

All taxation upon property is levied upon the estimated revenue therefrom as assessed by the authorities, and it must be remembered that this assessment is, in all cases, made very low indeed, say probably one-third of the revenue that is or could be derived from the property so taxed, hence the burden of taxation is not heavy.

STATE, PROVINCIAL, AND MUNICIPAL TAX UPON PROPERTY.

This tax amounts to 11.13 per cent. upon the revenue value of the property as assessed by the authorities.

The basis of this tax is a tax of 7 per cent. levied by the state; upon this the province collects 11 per cent. or 77 centimes, and the city an additional 48 per cent. or 3.36 francs, making the total of 11.13 per cent.

Should the property be unimproved or uncultivated, so as to be unproductive, the assessment is estimated as if it were cultivated to the best advantage.

MUNICIPAL TAX UPON SEWERS AND PAVEMENTS.

The payment of this tax is required but once, and not yearly, even not again when repairs become necessary and are made.

In 1852 the rate was fixed at 12 francs per running meter for all expenses connected with the building of a sewer, and was collected upon the buildings immediately, while the owners of unimproved property paid only when they erected buildings thereon, also a tax of 8 francs per meter was collected from buildings upon new pavements, or 5 francs upon old ones, owners of unimproved property paying 2 francs at the time and the balance when buildings were erected. This law is still in force regarding the property covered by it at that time.

In 1874 the law was changed as follows:

For the expense of sewers 12 francs per running meter is collected from the proprietors of improved and unimproved property, and for pavements 10 francs is collected upon the same measurement.

In the laying out of new streets the owners of the property fronting on said streets will be required to bear all the expenses, each in proportion to the number of running meters along the front of his property.

The amount due per meter is found in dividing the cost of the work by double the length of the street, thus covering both sides.

Every six months a map is drawn up for the purpose of showing what new buildings have been erected since the last verification.

TAXES UPON THE ASSESSED INCOME FROM BUILDINGS, UPON FURNITURE, AND UPON DOORS AND WINDOWS.

A municipal tax is levied for the purpose of meeting the expense incurred by the city in providing the fire brigade, the police service, and for cleaning the streets and public squares. It is fixed at the following rates:

Buildings the revenue of which is assessed at:

	Per cent.
1,000 francs or less	5
1,001–1,500 francs	6
1,501–2,000 francs	7
2,001–3,000 francs	8
3,001–4,000 francs	9
4,000 francs and over	10

There is also levied by the State a tax of 5 per cent. upon the assessed revenue of buildings, and of 1 per cent. upon the assessed value of the furniture, also a tax of 2.28 francs for each door or window on the ground floor and first two stories. Those in other stories pay 1.10 francs per year. Upon the amount thus collected by the State the province levies a tax of 11 per cent. and the city 48 per cent.

The assessment upon furniture as well as upon property is so very low that generally the owners prefer to leave the estimation of its value to the authorities to handing in a declaration of their own.

TAXES UPON HORSES, CARRIAGES, AND SERVANTS.

The State collects upon every horse employed for all purposes a tax of 20 francs per year, upon horses kept for pleasure a tax of 50 francs for one horse, for two horses 60 francs each, for three to five horses 70 francs each, and more than five horses 80 francs for each horse.

If one servant is employed 10 francs is paid, if two 25 francs for each.

In addition to the above the city collects upon every horse employed for all purposes 20 francs per year, upon horses kept for pleasure a tax of 40 francs for one horse or more, upon a carriage for one horse 35 francs, for two or more carriages for one horse 70 francs, for a carriage for two horses 100 francs, and 150 francs for any number of carriages for one or two horses.

Upon every male servant a tax of 20 francs is collected.

The amount expected to be derived from this source for Antwerp, in 1887, according to the budget of the city, is 62,000 francs.

TAX UPON DOGS.

The city collects a tax of 5 francs per year upon every dog without distinction of race, and the province, in addition, collects 30 francs upon every bull-dog or greyhound, 15 francs upon a hunting dog, and 4 francs upon every dog of any other kind.

Exempt from taxation are dogs conducting a blind person and those serving to cripples and invalids, the number being limited to two dogs for each person.

The amount the city expects to collect from this source, in 1887, is 25,000 francs.

TAX FOR ATTENDING THE BUSINESS EXCHANGE OF ANTWERP.

This tax is a city tax and fixed by a special board of commissioners, and is based upon the presumed importance of the business transacted by each person or firm and ranges from 5 to 100 francs per year. If two or more members of a firm attend the exchange each member is required to pay the assessment. Also, 5 francs are collected for every clerk attending for his employers, 5 francs for every chief of the association of teamsters, 5 francs for every boatman, and 15 francs for every person who is engaged in no particular business. Persons not subscribers pay 1 franc for each entrance.

Each subscriber receives a card, which must be shown to the doorkeeper when demanded.

The above rates take effect only from 1 to 2 p. m. each week day, the hour fixed for the business of the exchange. At all other times the building is open to the public.

The proceeds of this tax for the year 1887 are estimated at 68,000 francs.

MUNICIPAL TAX UPON STREET VENDERS.

The municipality collects from every street vender a tax of 10 centimes per square meter, a man's load being counted one square meter; a wheelbarrow, 1½ meters; a hand-cart, 2 meters; a cart drawn by one or more dogs, 3 meters; and a cart drawn by an ass or a horse, 4 square meters.

The street venders are required to present themselves every morning at the police station of their section and pay the necessary tax, receiving in return a ticket, giving their name and the date for which it is issued, and which they are bound to exhibit upon the demand of any police official.

The street venders are also obliged to wear upon their coat-sleeve a brass plate, giving their name, address, and the number under which they are registered at the police station of their district.

Every month the commissioners of all the police stations render an account of the amounts received from the above source and turn the same over into the city treasury.

As the chief commissioner receives a determined number of blank tickets at the commencement of the year, the receipts are easily controlled.

MUNICIPAL TAX ON SPACE IN THE PUBLIC MARKETS.

The right to all the space in the public markets during certain fixed hours is given each year by the municipal authorities to the highest bidder, at present for 31,900 francs per annum.

The contractor is required to pay, monthly in advance, while he, with his employés, collects the charges which have been fixed in a tariff issued by the city from the people occupying the space.

The rates as given in the tariff are as follows:

(*a*) For all persons exhibiting for sale poultry, pigeons, rabbits, game, eggs, butter, cheese, and meat contained in baskets, each basket 10 centimes.

(*b*) Apples, potatoes, and other articles of the kind contained in bags, pay for each bag 10 centimes.

(*c*) Wood used for fuel pays per bag 4 centimes.

(*d*) Each hand cart load of miscellanous objects pays 10 centimes.

(*e*) Each wheel barrow-load of miscellaneous objects pays 10 centimes.

Other articles than those enumerated above in block, in basket, or on stands pay 10 centimes per square meter.

Tissues, porcelain, crockery, mercery, and other articles of the kind pay 10 centimes per running meter of space occupied.

On the cattle market the charges are for space 2 meters in length and 1 meter in width, 16 centimes; for space 1 meter in length and one-half meter in width, 8 centimes, and for space of one-half meter to one-fourth meter the charge is 4 centimes.

In case the space freed through sales is again occupied by other goods the charges are collected anew in the same proportion.

MUNICIPAL TAX UPON THE PLACES ALLOTTED IN THE STREETS AND PUBLIC SQUARES FOR CAB STANDS.

This tax varies from 10 to 150 francs for a place according to location.

MUNICIPAL PUBLIC SLAUGHTER-HOUSE TAXES.

The city collects upon the animals killed at the public slaughter-house for the purpose of consumption the following taxes: Upon each horse, 3 francs; ox or steer, 4 francs; cow, heifer, or bullock, 3 francs; calf, 2

francs; sheep, lamb, or goat, 50 centimes; hog, 2 francs; sucking-pig, 20 centimes.

Independently of the above taxes the city has prescribed fixed rates for the weighing of the animals, but the butchers are not obliged to weigh them, and only in case they make use of the scales they are charged for each horse, bullock, ox, steer, calf, heifer, cow, or hog, 50 centimes, and for each sheep, lamb, goat, or sucking-pig, 25 centimes.

When cattle or other animals are exposed for sale, in the slaughter-house market, the owners are required to pay the same space taxes which are prescribed for the public markets of the city.

The owners of animals that are not sold, and are stabled in the slaughter-house until the next market, and animals not to be killed immediately, are charged at the following rates for feeding: Each ox, steer, cow, heifer, or bullock, 10 centimes per diem; each calf or hog, 5 centimes, and each sheep or goat, 2 centimes per diem.

It is estimated that the contribution the city derives from this source will attain 105,000 francs in 1887.

MUNICIPAL TAX UPON THE FISH SOLD AT AUCTION IN THE PUBLIC FISH MARKET.

This tax has been established by the city for the purpose of remunerating the services of the employés of the market. It amounts to 6½ per cent. of all the wholesale sales, and is divided as follows: Two and one-half per cent. goes to the directors, one-half per cent. to the deputy collector, one-half per cent. to the controller, one-half per cent. to the two callers, one-half per cent. to the three experts; 2 per cent. is equally divided among the nine workmen that are required.

MUNICIPAL TAX UPON PLACES OF PUBLIC ENTERTAINMENTS.

This tax has been fixed at 5 per cent. on the gross receipts of each representation, and was created with a view to aid the poor, but is now entirely reserved to the city.

It being very difficult to control the receipts for each representation at the many places of public amusement, the regulations authorize the city authorities to release some of the establishments from paying the 5 per cent. each time, on condition that a certain sum is paid, and annually in advance, as an equivalent. This measure is materially advantageous to the tax-payer, but it also greatly facilitates the collection of contribution and avoids the appointment of controllers.

THE LICENSE LAW.

The state collects a license from the inhabitants carrying on a business or exercising any sort of trade or profession in Belgium.

In 1791 a law was passed giving everybody the liberty to carry on business, and to practice or pursue a profession, on condition that a certain tax was paid to the state for such liberty.

Exempt from this taxation are all Government officials and their employés, also a number of small industries, lawyers, the owners or managers of quarries, coal-pits, and other mines, who sell the raw product they extract, journeymen tradesmen working with their masters, street-porters, and others.

The different occupations upon which a license is required to be paid are enumerated in fifteen schedules, and the amount collected is based

upon the assessed or estimated commercial or industrial profits of the respective parties.

The license upon the callings described in each schedule is again regulated by two tariffs. One, instituted in 1819, but reduced for nearly all the schedules in 1849, is the same for all the communities without distinction as to the population of the places or cities where the business is established. It is again divided into seventeen classes; the first or highest license under the tariff of 1819 is 572.40 francs, and the seventeenth or lowest is 2.65 francs. In the tariff of 1849 the first or highest license is 401 francs, and the seventeenth or lowest, 1.70 francs.

The other tariff is divided into fourteen classes, and each class has its fixed rates for each community according to its population. For communities of 60,000 inhabitants and more, the first class pays 423 francs, and the fourteenth 3.40 francs; for communities from 30,000 to 60,000 the first class is 370 francs, and the last 3.18 francs; for those of 20,000 to 30,000, the highest is 280 francs, and the last 2.55 francs; for those from 16,000 to 20,000, the highest is 194 francs and the lowest 1.70 francs; for those from 10,000 to 15,000, the highest is 142 francs and the lowest 1.38 francs; for those of less than 10,000 inhabitants, the first class pays 111 francs and the fourteenth 1.06 francs.

This last-named tariff is generally applied where the commercial or industrial profits largely depend upon the population of the towns in which the tax-payers are established.

Schedule No. 1 contains the manufacturers, and the amount of the license is established according to the number of workmen employed. It is divided into two sections.

The first section ranges from 9 francs to 401 francs per year, the lowest is paid by those working alone and the highest amount is paid by those employing 300 workmen or more.

The manufacturers belonging to the second section pay from 2.76 francs to 401 francs per year. The lowest tax is applied to persons working alone or only assisted by their wives or children; 401 francs is collected when 500 or more workmen are employed.

Schedule No. 2 comprises the distillers, brewers, and manufacturers of vinegar, and the amount of the license payable is in accordance with the quantity of raw material employed the year preceding.

The manufacturers of brandy and gin are ranged in the fourteen first classes of the tariff of 1849, and pay from 9 francs to 401 francs. Those having employed less than 1,000 hectoliters being taxed the smallest amount, and those having used 55,000 hectoliters and more the highest.

The same classes of the same tariff are applied to the brewers and the manufacturers of beer-vinegar, those having consumed less than 250 hectoliters of raw material the year preceding paying 9 francs, and those having consumed 14,000 hectoliters or more 401 francs.

The manufacturers of vinegar of currants, apples, etc., are ranged from the sixth to the thirteenth class of the same tariff, and the amount of the license is fixed according to the number of mash-tubs they have in use, those that have only 1 in use paying 13 francs, and those that have 15 or more 122 francs.

Schedule No. 3 contains the flour-mills and all mills where oats, barley, and buckwheat is ground. The license is from 2 to 4 per cent. upon the assessed rent value of the buildings and dependencies. In no case less than 7.42 francs is to be collected.

Schedule No. 4 applies to all the mills other than those described in the foregoing paragraph, and the amount of the license fixed thereon

depends upon the importance and the estimated profits of the business The lowest tax is 5.30 francs, and the highest 122 francs.

Schedule No. 5 comprises the factories the importance of which can not be estimated by the number of workmen employed, such as blast-furnaces, wire-forges, foundries, and others.

The license is fixed according to the extent and the presumed profits of the business, the lowest being 1.70 francs and the highest 278 francs.

Schedule No. 6 comprises the owners of retail shops, and all the seventeen classes of the tariff of 1849 are applied. A retailer whose sales have not exceeded 2,120 francs during the year preceding pays the lowest, 1.70 francs, while the highest license, 401 francs, is collected when the sales aggregated or exceeded 265,000 francs during the year preceding.

Schedule No. 7 refers to the license paid by street venders, and the amount paid is regulated by the tariff of 1819.

This paragraph is subdivided into three sections, viz:

1. The street venders that offer their merchandise for sale at every door, and paying, according to the nature of their goods and the importance of their business, from 2.65 francs to 175.96 francs.

2. Peddlers visiting the markets for the purpose of exposing their goods for sale pay from 2.65 francs to 97.52 francs, according to the importance of their business and the manner in which their goods are exposed for sale.

3. Peddlers who offer and expose their merchandise for sale in inns, cafés, etc., pay from 27.56 francs to 572.40 francs, according to the importance of their business and the kind of goods offered for sale. These last mentioned are required to pay a new license for every community where their goods are exposed for sale.

Schedule No. 8 contains the ambulant knife and scissor grinders and smelters. They pay from 11.66 francs to 53 francs, according to the importance of their business.

Schedule No. 9 relates to joint-stock companies and Belgian and foreign insurance companies. The license thereon amounts to 2 per cent. of the profits during the year preceding.

Considered as profit is the interest of the capital invested, the dividends, as also the sums affected to the increase of the social capital or to the reserve fund.

Schedule No. 10 concerns the directors of administrations, negotiating loans, etc. These are all government officials in Belgium at present, and therefore there is no occasion to apply the license prescribed in 1823.

Schedule No. 11 includes the administrators, superintendents and inspectors, business agents, and office clerks.

The seventeen classes of the tariff of 1849 are applicable to this branch of tax-payers, and the amount of the license depends upon the wages or salaries drawn the preceding year, the lowest license payable being 1.70 francs for salaries under 636 francs per year, and the highest 401 francs for salaries of 33,920 francs and more.

Schedule No. 12 comprises the artisans and mechanics, such as blacksmiths, locksmiths, paper-hangers, shoemakers, and others.

It is again subdivided into two sections, and the amount of the license is fixed according to the number of workmen employed and the population of the district where they are established.

For the first section it varies from 5.30 francs to 185 francs in towns having more than 60,000 inhabitants, and from 1.70 francs to 51 francs

in towns and villages of less than 10,000 inhabitants. The highest license is collected when fifty workmen and more are employed.

For the second section the license varies from 3.40 francs to 138 francs in towns of 60,000 inhabitants and over, and from 1.06 francs to 48 francs in towns and villages counting a population of less than 10,000 souls.

The lowest license is collected when one workman is employed, and the highest where seventy or more are employed.

Those that work alone or with the assistance of their wives and children only are exempted from the license tax.

Schedule No. 13 relates to hotel-keepers, owners of bathing establishments, and billiard saloons.

The amount of the license for hotel and innkeepers is fixed according to the number of rooms their building contains, and according to the population of the district in which they are established. In towns of 60,000 and more inhabitants the lowest, 5.30 francs, is collected when there are less than 3 rooms, and the highest, 323 francs, when there are 50 rooms and more.

For the owners of boarding-houses the license is fixed upon the same basis, and the amount varies from 10.60 francs to 185 francs in the communities where the population is 60,000 or more, and from 4.24 to 51 francs in the communities where the population is less than 10,000. The lowest license is collected when there are less than 10 rooms, and the highest when there are 50 rooms or more.

The owners of bathing establishments pay upon every bath van in use from 3.40 francs to 5.30 francs in towns of 60,000 inhabitants and more, and from 1.06 francs to 1.70 francs in those of 10,000 or less inhabitants.

The owners of billiard saloons pay upon every table they have in use in communities of 60,000 inhabitants and more from 20 to 100 francs, and in communities of 10,000 or less 7 to 29 francs for each table.

For the privilege of keeping a place where the game of cricket is played a license of from 3.40 francs to 73 francs is paid, the amount depending upon the appearance of the place and the population of the district where it is situated. In the same way a license of from 3.40 francs to 10.60 francs is paid upon the game of skittles in public houses.

Schedule No. 14 relates to merchants, ship-owners, brokers, physicians, bakers, cabaret and saloon keepers.

The amount of the license varies from 1.06 francs to 423 francs, according to the presumed income of the position or business and the population of the town where it is situated.

Schedule No. 15 comprises the directors or managers of theaters and places of amusement.

When the representations take place in buildings expressly built for such purpose, and known under the name of theater or concert saloon, the license is calculated at 1 per cent. of the gross receipts of each representation.

When the audience is principally composed of subscribers or abonnés, the license is one-third less.

The amount of the license for the entire year is not to exceed the product of any one representation.

The representations, concerts, balls, etc., given in places not specially adapted for such purpose, are licensed according to the population of the town where they take place, and the number of seats the audience hall contains, as also the entrance fee paid.

Besides the licenses paid upon the above-described branches of business and trade a license is collected from the owners of ships or boats, amounting to 12 centimes per ton for ships trading in the interior by canal or river, and of 4 centimes per ton for each voyage out and back upon ships doing an export and import business, but the tax is not to be collected more than three times in any one year for the last named.

Ferries and boats used for crossing rivers or canals pay one-half per cent. of the price which is paid yearly for the privilege of running them.

Upon every license of 20 francs and over collected by the State the city collects an additional 48 per cent., so that a person being taxed 20 francs, according to the tariffs or laws explained above, would have to pay 9.60 francs besides to the city.

The tax-payers are classed according to their declaration by the board of assessors of taxes established in each community.

The members are appointed each year by a commission composed of two delegates of the respective communities and two delegates from the chief tax office at Brussels.

Although in some instances the rate of taxation may seem high, yet it is levied upon assessments made so very low that the amount of tax paid is really small. For instance, the range of taxation for attending the bourse is from 5 to 100 francs, but I can find no one paying more than 50 francs, and I believe that is the maximum collected. So with the tax levied upon the income of buildings, a house renting for 4,000 to 5,000 francs is assessed as producing a revenue of 800 to 1,000 francs, and with furniture no regard seems to be paid to its value. Where the value is from 75,000 to 100,000 francs the 1 per cent. will be assessed upon only from 3,000 to 5,000 francs, demanding a payment of from 30 to 50 francs. If the city is content, surely the owner is, under the circumstances, as the assessment seems to remain the same, no matter how the value of the furniture may increase from year to year.

JOHN H. STEUART,
Consul.

UNITED STATES CONSULATE,
Antwerp, June 27, 1887.

REPORT OF CONSUL SLADE.

DIRECT TAXES LEVIED BY THE GENERAL GOVERNMENT.

REAL-ESTATE TAX.

The *impôt foncier*, or real-estate tax, is the principal direct tax of Belgium. This tax is levied on all lands or buildings in equal proportion to the net taxable revenue derived therefrom. The net taxable revenue for land is the sum which remains to the proprietor after deducting from the gross rental the expenses for cultivation, seeds, harvesting, and other necessary expenses. The net taxable revenue for dwelling-houses, other buildings, factories, and shops, is the amount remaining to the proprietor after deducting from the average annual rental the amount necessary for repairs, and a reasonable sum for the depreciation of the house, building, factory, or shop. The amount thus deducted from the average annual rental for houses and other buildings is one-fourth, and for factories and shops one-third of the rental.

Before 1867 the real-estate tax was a tax of repartition. The legislature established every year the gross amount of the tax for the Kingdom, and this amount was then divided, in proportion to the value of real estate, amongst the provinces. But since 1868 this tax, levied for purposes of the general Government, is 7 per cent. of the taxable revenue; hence the total amount of real-estate tax collected every year increases or decreases with the fluctuation of rents of real estate.

This tax amounted in 1831 to 17,032,000 francs, and in 1835 to 18,214,332 francs. In 1840, after the treaty with Holland annexing part of the Belgian territory, there remained in Belgium 874,998 real-estate owners with a net revenue of 148,211,580 francs, and paying a real-estate tax of 17,210,730 francs; in 1845 there were 914,559 real-estate owners with a taxable or net revenue of 157,386,694 francs, and paying a tax of 18,406,542 francs; in 1850, 951,986 owners with a net revenue of 159,858,037 francs, paying a tax of 18,359,750 francs; in 1855, 1,001,733 real-estate owners, having a net revenue of 162,594,711 francs, paid a tax of 18,886,292 francs; in 1860, 1,050,733 proprietors, with a net revenue of 164,585,016 francs, paid a tax of 18,886,292 francs; in 1867, 1,124,603 proprietors, with a net revenue of 168,986,297 francs, paid a tax of 18,886,292 francs; in 1868, year in which the new law and the new evaluations of revenue went into effect, there were 1,134,991 proprietors in the Kingdom with a net revenue of 283,745,905 francs, paying a tax of 18,909,284 francs; in 1870, 1,120,161 proprietors, with a net revenue of 286,209,107 francs, paid a tax of 19,176,009 francs; in 1875, 1,124,734 proprietors, whose net revenue was 298,630,870 francs, paid a tax of 20,904,115 francs; in 1879, 1,174,334 proprietors, whose net revenue was 318,489,528 francs, paid a tax of 22,294,355 francs; in 1880, 1,153,588 proprietors, with a revenue of 322,805,424 francs, paid a tax of 22,592,380 francs. Hence it will be seen that from 1840 to 1880 the number of real-estate owners has increased from 874,998 to 1,153,588, an increase of 278,590, or nearly 33 per cent.

The net taxable revenue, which in 1840 amounted to 148,211,580 francs, amounted in 1880 to 322,805,424 francs, an increase of over 117 per cent.

The tax collected in 1840 amounted to 17,210,730 francs, and in 1880 to 22,592,380 francs, an increase of about 31 per cent.

PERSONAL TAXES.

The personal taxes of Belgium are based and levied on—(1) The rental value of the property occupied; (2) the number of windows and doors; (3) the value of the furniture; (4) the number of servants, and (5) the number of horses.

(1) *Tax on the rental value of the property.*—There is a tax of 5 per cent. on the gross annual rental of all houses and buildings in Belgium. This gross annual rental is calculated on the average annual rental received during the preceding ten years. From 1822 until 1879 this tax was but 4 per cent. of the gross annual rental, but since 1879 it was increased to 5 per cent.

In 1840 there were in the Kingdom 350,446 of these tax-payers, with a rental value of 48,262,669 francs, and paying a tax of 1,930,515 francs.

In 1850 there were 370,430 tax-payers, with a rental value of 53,318,683 francs, and paying a tax of 2,132,750 francs. In 1860 there were 397,526 tax-payers, with a rental value of 60,738,262 francs, and paying a tax of 2,429,531 francs.

In 1870 there were 469,310 tax payers, with a rental value of 75,185,298 francs, and paying a tax of 3,007,412 francs.

In 1875 there were 472,669 tax-payers, with a rental value of 86,553,946 francs, and paying a tax of 3,462,158 francs.

It will thus be seen that in thirty-five years the average annual rental value has increased from 48,262,669 to 86,553,946 francs, an increase of 38,291,277 francs, or nearly 80 per cent.

The number of such tax payers has increased from 350,446 in 1840 to 518,716 in 1880, an increase of 168,310, or nearly 50 per cent.

The aggregate amount of taxes received from this source in 1880 was 4,842,351 francs, or an increase as compared with 1840 of 2,911,836 francs, or more than 150 per cent.

I will here mention that public officers occupying gratuitously in virtue of their offices buildings belonging to the government, province, or commune, are exempted from paying this tax.

(2) *Doors and windows.*—The following tax is levied on windows and doors on the ground floor, and on the first and second stories: In a city of 5,000 inhabitants or less, 1 franc per window or door; 5,000 to 10,000 inhabitants, 1.10 francs; 10,000 to 25,000 inhabitants, 1.30 francs; 25,000 to 50,000 inhabitants, 1.80 francs; 50,000 inhabitants and over, 2.28 francs.

Upon windows on higher stories and inhabited basements and cellars, in a commune of less than 5,000 inhabitants, 1 franc per window; over 5,000 inhabitants, 1.10 francs.

The amount of this tax is constantly increasing. In 1840 there were 2,426,762 doors and windows taxed, producing a receipt of 2,717,147 francs; in 1850, 2,674,437 doors and windows, receipts, 2,975,968 francs; in 1860, 2,963,604 doors and windows, receipts, 3,296,556 francs; in 1870, 3,526,196 doors and windows, receipts, 3,937,759 francs; in 1875, 3,928,233 doors and windows, receipts, 4,374,766 francs. The aggregate receipts from this source, in 1880, amounted to 5,282,282 francs.

It will thus be seen that from 1840 to 1875 the number of doors and windows taxed has increased 1,501,471, or nearly 62 per cent. During the period 1840 to 1880 the receipts increased from 2,717,147 to 5,282,282 francs, an increase of 2,565,135 francs, or over 90 per cent.

(3) *Tax on furniture.*—There is a tax of 1 per cent. on the value of the furniture. By furniture is meant all things in a house or building for personal or domestic use. The only exceptions are clothing, tools, and implements used for a trade or profession, books, maps, paintings, physical, mathematical, and other scientific instruments, jewelry, etc.

The tax-payer can himself state the value of his furniture, but the agents of the government can have the same valued by experts at his expense if the valuation given by him is adjudged too low. The total amount of this tax has increased but little since 1840. In 1840 the total amount collected was 1,337,970 francs. In 1850, 1,377,880 francs; in 1860, 1,496,079 francs; in 1870, 1,701,486 francs; and in 1875, 1,870,809 francs, an increase during the thirty-five years, from 1840 to 1875, of 532,839 francs, or 40 per cent.

(4) *Tax on servants.*—The following taxes are levied on servants in Belgium: For every male or female laborer, 8 francs; for one female house servant, 10 francs; for each female house servant, if you have but two in your employ and no male servants, 20 francs; for each female house servant, if you employ more than two and at the same time male servants, 25 francs; for each female house servant, if you employ three and no male servants, and if one of them is in charge of children, 20 francs; or one male servant, 25 francs; for every male servant if you employ

from two to four, 30 francs; for every male servant if you employ more than four, 40 francs; for every male servant wearing livery, a supplementary tax of 10 francs is charged.

In 1840 there were in Belgium 47,248 taxed servants, paying a tax of 474,825 francs; in 1850 there were 57,676 servants and the taxes paid amounted to 571,506 francs; in 1860, 66,222 servants; tax received, 657,846 francs; in 1870, 71,308 servants; tax received, 713,114 francs; in 1875, 76,872 servants; tax received, 769,708 francs; in 1880 the receipts amounted to 809,075 francs. Hence it will be seen that from 1840 to 1875 the number of servants employed has increased 29,624, and the receipts have increased 334,250 francs, or more than 70 per cent. From 1875 to 1880 the receipts have increased 39,367 francs.

(5) *Tax on horses.*—This tax varies, as will be seen below, according to the use made of the horse and the profession exercised by the owner or keeper.

This tax is, for one horse kept for pleasure, 50 francs; for each horse kept for pleasure, if you keep two, 60 francs; for each horse kept for pleasure, if you keep from three to five, 70 francs; for each horse kept for pleasure, if you keep over five, 80 francs; for every horse kept for labor, 20 francs; for every horse kept by a livery-man, 10 francs; tax for every horse breeder or horse merchant generally keeping not more than ten horses, 100 francs; tax for every horse breeder or horse merchant keeping more than ten horses, 200 francs.

Horses exclusively employed in agriculture, factories, and shops are exempt from taxation.

The total amount of this tax collected amounted in 1840 to 315,681 francs; in 1850 to 345,451 francs; in 1860 to 418,249 francs; in 1870 to 520,960 francs; in 1875 to 592,067 francs, and in 1880 to 502,053 francs.

TAX ON MINES.

There is a fixed tax of 10 francs per square kilometer ($\frac{5}{8}$ mile) of the surface of the mine, and 2½ per cent. of the net profits, plus 25 per cent. of the two taxes together, additional.

In 1840 these receipts amounted to 242,591 francs; in 1850 to 177,022 francs; in 1860 to 495,845 francs; in 1867 to 846,357 francs; in 1870 to 440,020 francs; in 1874 to 3,086,719 francs; in 1875 to 1,039,570 francs; in 1876 to 799,105 francs; in 1877 to 485,985 francs; in 1878 to 341,331 francs; in 1879 to 305,159 francs; and in 1880 to 286,112 francs.

LICENSE TAX (DROITS DE PATENTE).

The law of May 21, 1819, imposes a license tax on all those exercising a profession or trade. The following exemptions are made: Clergymen, ecclesiastics, marguilliers, or all other persons attached to the service of a church; state, provincial, and municipal officers and employés; attorneys, doctors, physicians, surgeons, accoucheurs, and apothecaries, receiving a fixed salary and attached to the army, to military or civil hospitals, poor-houses, orphan asylums, or other houses of public charity, or treating poor at their homes; painters, sculptors, and other artists if they only sell their own works, and if not working for a manufactory, nor receiving a salary from their scholars for their lessons; the cultivator who only sells the products of his own farm or agricultural industry; the gardener who does not sell the products of his garden at his house but on the streets and markets.

For the establishment of this license tax there are two tariffs, called

"tariff A" and "tariff B." The first of these tariffs imposes the same license tax for all the communes; and the second, on the contrary, varies the tax according to the importance of the commune. Tariff A, applicable to all the communes, comprises seventeen classes, and the tax varies according to the classification of the profession or trade. Thus the first class imposes a license duty of 401 francs; the second class of 334 francs; the third class of 278 francs; the fourth class of 223 francs; the seventh class of 89 francs; the tenth class of 36 francs; the fifteenth class of 9 francs; and the seventeenth class of 1.70 francs.

For the application of tariff B the law divides the communes in six grades. In the first grade are the communes having a population of 60,000 inhabitants and more; in the second grade the communes of from 30,000 to 60,000; in the third grade the communes of from 20,000 to 30,000; in the fourth grade the communes of from 15,000 to 20,000; in the fifth grade the communes of from 10,000 to 15,000; in the sixth grade communes of less than 10,000 inhabitants.

Tariff B, after dividing the communes into six grades, distributes the professions and trades amongst fourteen classes, according to the importance they occupy in commerce or industry.

Thus a profession of the first class pays a license duty of 423, 370, 280, 194, 142, or 111 francs, according as it is exercised in a commune of the first, second, third, fourth, fifth, or sixth grade; a profession of the second class pays a duty of 323, 285, 214, 149, 111, or 89 francs, according to the grade of the commune; a profession of third class, 245, 214, 162, 114, 89 or 67 francs; fourth class, 185, 160, 122, 87, 67, or 51 francs; fifth class, 138, 118, 91, 67, 51, or 40 francs; sixth class, 100, 87, 67, 51, 38, or 29 francs; seventh class, 73, 65, 51, 38, 27, or 20 francs; eighth class, 51, 45, 38, 27, 20, or 14 francs; ninth class, 38, 33, 27, 20, 13, or 10 francs; tenth class, 27, 22, 20, 13, 9, or 8 francs; eleventh class, 20, 16, 12, 9, 7, or 6 francs; twelfth class, 10.60, 9.54, 8.48, 5.30, 4.23, or 3.40 francs; thirteenth class, 5.30, 4.88, 3.82, 2.76, 2.12, or 1.70 francs; fourteenth class, 3.40, 3.18, 2.55, 1.70, 1.38, or 1.06 francs.

The license tax for foreign commercial travelers in Belgium is 20 francs per year.

There is a license tax of 12 centimes per ton on interior navigation.

The receipts from the license tax have continually increased. In 1840 the total receipts amounted to 2,862,893 francs; in 1845 to 2,854,955 francs; in 1850 to 3,112, 264 francs; in 1855 to 3,598,483 francs; in 1860 to 3,872,248 francs; in 1865 to 4,233,390 francs; in 1870 to 4,374,797 francs; in 1875 to 5,976,954 francs, and in 1880 to 6,080,718 francs.

PROVINCIAL TAXES.

In the province of Brabant (in which Brussels is situated) every taxpayer pays an additional tax for provincial purposes, based upon the amount of tax he pays upon his real estate, personal property, or for a license. Upon the tax paid on real and personal property he pay 18½, and upon the license tax 17 per cent.

Dog tax.—This tax for the province is 5 francs for an ordinary dog, and 10 francs for blooded dogs.

TAXES OF THE CITY OF BRUSSELS.

Tax on buildings temporarily exempted from the real estate tax.—Article 3 of the law of July 5, 1871, says that buildings constructed or reconstructed will pay the real-estate tax to the state from the first of January

of the second year of its occupation. This exemption, however, does not apply to the city, and it collects a tax of 15.10 per cent. of the net rental. This tax was adopted in 1872, and was then 9½ per cent. of the net rental; in 1875 the rate was increased to 13.10 per cent.; in 1877 to 14.10 per cent.; in 1880 to 14.60 per cent, and since 1881 to 15.10 per cent. In nine years this tax has been increased nearly 60 per cent.

Tax on the drinking and tobacco traffic.—The dealers in beer, liquors, and tobacco are taxed as follows:

First class, having an annual sale of 2,500 francs or less, 20 francs tax; second class, having an annual sale of 2,500 to 5,000 francs, 40 francs; third class, having an annual sale of 5,000 to 7,500 francs, 60 francs; fourth class, having an annual sale of 7,500 to 10,000 francs, 80 francs; fifth class, having an annual sale of 10,000 to 12,500 francs, 100 francs. For those having an annual sale of over 12,500 francs the tax is increased 5 francs for every 500 francs sale.

The receipts from this tax were, in 1873, 66,332 francs, and in 1880 80,000 francs.

Since 1871 the state collects no direct tax on spirits and tobacco.

City personal tax.—The city personal tax is 95 per cent. of the state personal tax. Until 1879 this tax was only 50 per cent.; in 1880, 65 per cent., and since 1881, 95 per cent.

City tax on the cadastral or real-estate revenue.—This tax is identically the same as the real-estate tax levied by the state, and is also 7 per cent. of the net revenue. In 1876 this tax was but 5 per cent. of the net revenue; in 1877 it was increased to 6½ per cent., and since 1881 to 7 per cent., an increase of about 40 per cent. in five years.

City tax on licenses.—The city assesses a tax of 15 per cent. of the state license tax on incorporated companies, bankers, money-changers, stock-brokers, directors, and administrators of companies, merchants, wholesale dealers, and brokers in oils, beer, wines, spirits, hops, leather, cotton, wool, tobacco, wood, cereals, and other wholesale dealers inscribed in one of the first six classes of the Government tariff, and 20 per cent. of the state license tax on all others having a license.

In 1870 the amount received from this source was 62,000 francs, and in 1862, 200,000 francs, an increase of 138,000 francs, or more than 220 per cent.

City carriage tax.—There is a tax of 50 francs for a two-horse carriage and 30 francs for a one-horse carriage. Public carriages and carriages in livery-stables, if not permanently rented, are exempt from taxation. There is only one tax of 50 or 30 francs, which is not increased by the number of carriages kept.

Dog tax.—This tax is 5 francs for an ordinary dog and 10 francs for every hunting dog, bull-dog, bull-terrier, and other blooded dogs. The dog of a blind person alone is exempt from tax.

Tax on exchange agents and stock-brokers.—This tax is 250 francs per year for every person exercising at the stock exchange the profession of exchange agent or stock-broker. It is 150 francs for every delegated clerk of an exchange agent or broker.

Tax on brokers of merchandise.—All brokers of merchandise buying and selling at the exchange are taxed 25 francs annually, and their clerks 10 francs. Persons not on the tax-list are not permitted to enter the exchange except by paying 1 franc.

Tax on constructions and reconstructions.—The city is divided into ten classes for the assessment of this tax. The tax for the first class is 1 franc per cubic meter for the first 5 meters of the height, 50 centimes from the height of 5 to 10 meters, and 25 centimes above 10 meters.

The tax of each of the remaining nine classes is reduced one-tenth. The out-houses, stables, etc., pay one-fourth of the tax. This tax, however, is doubled if the street is opened at the city's expense, and it is one-half more if the street is widened for a length of 35 meters at the cost of the city.

The above named are all the city taxes.

In 1850 the total amount of taxes received by the city of Brussels was 263,000 francs, about 1.81 francs per inhabitant. In 1860 the receipts were 530,888 francs, about 3.03 francs per inhabitant. In 1870 the total receipts were 1,579,150 francs, about 9.43 francs per inhabitant. In 1880 the receipts increased to 2,643,427 francs, about 16.30 francs per inhabitant. In 1882 the receipts were 3,716,160 francs, or about 22.34 francs per inhabitant.

It will thus be seen that the city taxes paid per inhabitant have increased since 1850 from 1.81 francs to 22.34 francs, an increase of 20.53 francs, or 1,140 per cent.

The total receipts for taxes for 1882 were subdivided as follows:

	Francs.
Real estate not paying state tax	77,500
Drinking and tobacco traffic	85,000
Personal taxes (95 per cent. of state personal tax)	1,600,000
Cadastral revenue tax	1,150,000
City tax on licenses	200,000
Carriage tax	28,009
Dog tax, city	30,000
Dog tax, province	30,000
Tax on exchange agents and brokers	70,000
Tax on merchandise brokers	45,660
Tax on constructions and reconstructions	400,000
Total	3,716,160

INDIRECT TAXES.

"DROITS D'ACCISE." (INTERNAL REVENUE.)

There is a "droit d'accise" established in Belgium on the following articles: Wines, spirits, beers, vinegar, beet sugar, glucose, sirup of inulin, tobacco, and foreign sugar.

Wines.—The "droit d'accise" on wines is 23 francs per hectoliter. Wines made in Belgium of dried fruits pay the same tax.

Manufactured spirits.—The "droit d'accise" on manufactured spirits is based upon the vessels employed for the soaking, maceration, and fermentation of the material used for distillation. The duty is fixed at 5 francs per day's work, and per hectoliter capacity of the vessels. It is 7 francs if, besides barley malt, other grain than rye, barley, or ordinary oats, not having undergone any preparation before maceration, are employed. It is 7.50 francs per hectoliter if bolted flour is employed. It is 8.50 francs per hectoliter if dried fruits, molasses, sirup, sugar, or beet juice with, one or more feculent or saccharine substances are employed. The above three first taxes are increased to 5.50, 7.50, and 8 francs if macerators are used. Besides the above, 6 per cent. additional of the tax is collected since 1879. The tax is due for the renewing of the matter every twenty-four hours. The distiller working faster is compelled to pay a supplementary tax proportionate to the number of times the matter is renewed. There is no duty collected for Sundays and legal fête days if the distiller declares that he does not work on those days.

A deduction of 15 per cent. is allowed to agricultural distillers not employing more than two vessels, one only used for boiling and the other to rectify the boiled matter.

A tax of 3.75 francs per hectoliter of the capacity of the vessel used for maceration or fermentation is collected on the distillation of seed and stone fruits producing alcohol (without employing any other matter).

A drawback of 50 francs is allowed per hectoliter of spirits of 50 degrees "Gay Lussac" exported or deposited in the Government warehouse. This drawback is not allowed for less than 5 hectoliters for exportation and for less than 10 hectoliters for deposit in warehouse.

Beers.—There is a fixed duty of 4 francs per hectoliter of the capacity of the vessel in which the raw matter for the brew is prepared.

Vinegar.—The manufacturers of vinegar are divided into three classes:

The first class comprised those only making vinegar from beer. They pay a tax of 4 francs for four months' work per hectoliter capacity of their double-distilling apparatus (*cuves-jumelles*). They enjoy a reduction of the tax of 40 centimes per hectoliter of beer entering their factories.

The second class comprises those making vinegar with macerated and fermented liquids. There are none of these in Belgium.

The third class comprises the artificial vinegar manufacturers, employing other substances than those in class 1 and 2. The duty for this class for four months' work is also 4 francs per hectoliter capacity of their double-distilling apparatus, with a reduction of 18 per cent. upon the tax.

Are exempt from this tax all vinegar manufacturers of the third class employing for their manufacture an article already paying an excise tax.

Foreign sugars.—Foreign sugars pay the following tax on entering Belgium:

Raw sugar below No. 7,34.26 francs per 100 kilograms; from Nos. 7 to 10, exclusive, 40.91 francs per 100 kilograms; from Nos. 10 to 15, exclusive, 45 francs per 100 kilograsm; from Nos. 15 to 18, inclusive, 48.07 francs per 100 kilograms.

Five hundred kilograms or more of raw cane sugar can be deposited in the Government warehouse, but for smaller quantities the duty must be paid cash.

Belgian beet sugar.—This tax has for basis the volume and density of the beet juice.

The beet sugar manufacturer is required, fifteen days before beginning work, to sign a declaration and deposit the same with the Government receiver of his district, in which he states the quantity of beets he proposes to employ in his factory during the season. No declaration is admitted for a quantity less than 200,000 kilograms of beets to be employed during every thirty days' work.

Before beginning work the manufacturer is required to give a bond, the minimum of which is equal to the value of the sugar contained in the quantity of beets he has the right to employ monthly.

One hundred kilograms of beets are calculated to produce 6 kilograms of raw sugar.

The excise tax on raw beet sugar is fixed at 45 francs the 100 kilograms.

Glucose made of potatoes and grain.—The tax on the manufacture of glucose made of potatoes or grain is as follows: Granulated glucose, 12 francs per hectoliter, capacity of the saccharification caldron; other glucose, 4 francs.

Syrup of Inuline.—Syrup of inuline is extracted from dried chicory. It pays an excise tax of 1.68 francs per hectoliter net of the capacity of the caldron for maceration.

Belgium tobacco.—The excise tax in Belgium on tobacco is 1.50 francs per are planted with tobacco. For the calculation of the surface planted fractions are neglected; but every parcel of land less than one are is considered as an are.

RECEIPTS FOR 1883.

The latest statistics published (1883) from foregoing taxes were:

	Francs.
Wines	4,545,888.72
Spirits	28,274,387.46
Beers	13,792,848.90
Vinegar	13,006.80
Foreign sugar	3,862,518.81
Belgian beet sugar	1,187,446.08
Glucose	259,426.30
Tobacco	180,156.50
Total	52,115.679.57

ENREGISTREMENT.

The enregistrement is a formality which consists in the recording of documents. The taxes for recording are either fixed or proportional. They are fixed when the document recorded is of a civil, judicial, or extrajudicial nature, but not containing an obligation, nor satisfaction, nor judgment for fixed amount, nor setting creditors in order of payment, or payment of sums or values, nor transmission of property, or the use or enjoyment of real or personal property.

They are proportional for documents containing an obligation, satisfaction, judgments for fixed amount, setting creditors in order of payment, or payment of sums or values, or for the conveyance of property, or for the use or enjoyment of real or personal property.

The fixed duties vary from 50 centimes to 55 francs, according to the nature and amount of the document to be recorded. The proportional duties are from 0.15 to 6.50 per cent. of the amount stipulated in the document.

NATURALIZATION.

The recording tax for the small or ordinary naturalization is 250 francs, and for the *grande* naturalization, which includes the right of suffrage, 500 francs. The duty for the *grande* naturalization is reduced to 250 francs, if the person receiving the *grande* naturalization has previously paid for the small naturalization.

MORTGAGES.

The taxes on mortgages are divided into taxes for recording and taxes for transcribing mortgages. The first tax is collected when the mortgage is inscribed or recorded, and has for basis the capital of the mortgaged debt. The tax is 0.65 or 1.25 per 1,000 francs, according to the nature of the property mortgaged. The second tax is collected upon transfers of the mortgage, or by sale of the real estate mortgaged. This tax is 1.25 per cent.

The tax on mortgages has been increased by an additional tax of 25 per cent. upon the original tax levied.

SUCCESSIONS.

The taxes on inheritances are the following: (1) Tax on inheritances of real and personal property. (2) Tax on inheritances of real estate situated in Belgium, derived from a person not reputed to reside in the Kingdom. (3) Tax on inheritances in direct line. (4) Tax on inheritances between husband and wife, having children of their marriage.

Tax on inheritances of real and personal property.—This tax is collected upon the determined value of all real and personal property situated in Belgium or in foreign countries, left by an inhabitant of the Kingdom, no matter where he dies. An inhabitant of the Kingdom is the person who has established his domicile or the seat of his fortune therein.

The amount of the debts of the deceased is deducted from the value of the estate. The tax varies according to the degree of relationship between the deceased and his heirs. It is as follows:

	Property.	Life use.
Between—	*Per cent.*	*Per cent.*
Husband and wife (no children)	5.50	2.75
Brother and sister (dying without will)	6.80	3.40
Nephew and niece (dying without will)	8.20	4.10
Other relatives	13.80	6.90
Other persons not relatives	13.80	6.90

Taxes on inheritances of real estate in Belgium derived from a person not reputed to reside in the Kingdom.—This tax is established on the value of real estate situated in the Kingdom (without deducting debts) which was inherited from a deceased person not residing in Belgium. This tax also varies according to the relationship between the deceased and his heirs.

	Property.	Life use of property.
	Per cent.	*Per cent.*
Direct line	1.40	0.70
Collateral line	6.80	3.40
Persons not relatives	6.80	3.40

Tax on inheritances in direct line.—There is a tax collected on inheritances of real estate in direct line. This tax is based upon the value of real estate and mortgages on real estate left by the deceased in Belgium. This tax is:

	Property.	Life use of property.
	Per cent.	*Per cent.*
Ascendants	1.40	0.70
Descendants (legitimate)	1.40	0.70
Descendants (illegitimate)	1.40	0.70
Between husband and wife having children of their marriage	1.40	0.70

The four classes of taxes on inheritances have been increased by an additional tax of 30 per cent. upon the tax levied.

STAMPS.

There is a stamp tax established in Belgium. All documents, civil or judicial, or those to be produced in courts, must be written on stamped paper.

There are three kinds of stamps—the stamp tax fixed, the proportional stamp tax, and the stamp tax of dimension.

Passports, permission to carry hunting arms, permission to hunt with hounds, and warehouse receipts pay a fixed stamp tax.

Proportional stamp taxes are collected upon negotiable notes of commerce, drafts, checks, etc., bills and obligations not negotiable, certificates of deposit, bills to bearer, obligations or bonds, and all other documents or instruments of writing, payable at an infinite time, or five years after their date; also, on bonds, certificates, or obligations resulting from loans contracted in Belgium for the benefit of foreigners.

All other documents or instruments of writing not above mentioned pay a stamp tax of dimension; that is, according to the dimension of the paper on which written. The fixed stamp taxes are as follows:

	Francs.
Passports, interior	2.00
Passports, foreign countries	8.00
Permission to carry hunting arms	35.00
Permission to hunt with hounds	35.00
Warehouse receipts	0.25

The proportional stamp tax varies from 10 centimes to 50 francs, according to the nature and amount of the document.

The dimentional tax varies from 25 centimes to 2.60 francs, according to the size of the document.

The total receipts from the foregoing sources in 1883, drawn from the latest statistics published, were as follows:

	Francs.
Recording tax, fixed	1,703,458.49
Recording tax, proportional	19,525,947.55
Recording tax, naturalization	38,250.00
Recording tax, others	1,740.00
Tax on mortgages	3,483,979.96
Tax on inheritances	17,377,053.10
Stamp tax	15,784,001.26
Total	57,914,430.36

As an administrative unit, I here give the receipts and expenditures of the city of Brussels for the year 1884.

EXPENSES.

Items.	Francs.	Items.	Francs.
Ordinary expenses: Administration.		*Ordinary expenses: Administration*—Continued.	
Salary of burgomaster	25,000.00	Banking expenses	13,500.00
Salary of "echevins" (assistant burgomasters)	40,000.00	Commission of the stock exchange	28,238.23
Salary of municipal secretary	12,000.00	Commission of the local statistics	3,260.31
Salary of municipal receiver of taxes	10,000.00	Council to settle difficulties between employers and employés	4,641.12
Salaries of the municipal clerks and employés	631,839.91	Taxes refunded	20,918.04
Salaries for extra work	5,982.00	Total	986,930.62
Other expenses for the central administration	167,274.68	*Municipal property and promenades.*	
Stamps for registers of the "état civil" (births, marriages, and deaths	4,914.00	Repairing permanent communal property	130,168.25
Publication of the municipal bulletin	5,960.00	Taxes, insurance, etc., on permanent city property	13,702.27
Subscription for official journals	430.00	Repairing promenades	92,782.07
Expenses for lawsuits	19,972.33		

EXPENSES—Continued.

Items.	Francs.
Municipal property and promenades—Continued.	
Annuity for the Bois de la Cambre (public park)	9,734.53
Allowance for expenses of botanical garden	13,000.00
Total	259,387.12
City properties.	
Repairing city properties	162,859.38
Taxes, insurance, administration, etc	3,976.10
Total	166,835.48
Public security.	
Salaries of police force	851,450.21
Other expenses for police	79,245.93
Tribunal of police (salaries, civil officers	11,560.32
Clothing of police force, etc	73,480.39
Salaries of guardians of public squares	4,612.84
Repairs of telegraphs	8,105.78
Rents for police commissariats	36,783.74
Fire department, wages	180,293.96
Fire department, clothing	49,209.11
Repairs and renewing fire engines, etc	10,959.15
Barracks for firemen	11,549.84
Other police expenses and guardians	10,300.08
Expenses for civic guards	40,391.20
Rent, taxes, etc., for officers general staff of guards	6,432.17
Military drafting (tirage au sort)	3,976.95
Total	1,378,411.67
Public health.	
Local medical commission	2,400.00
Salaries of chemists and expenses for laboratory	8,511.48
Salaries of officers and office expenses of the bureau of hygiene and statistics	43,133.57
Salaries of officers of the sanitary service	25,624.60
Other expenses for the sanitary service	15,977.78
Total	95,647.43
Funeral service.	
Salaries for the officers of funeral service Clothing for the officers of funeral service	62,441.97
Expenses for interments and exhumations	58,133.99
Repairs for cemeteries	805.04
Total	121,381.00
Streets.	
Repairs of streets	186,977.68
Repairs of sewers	55,544.06
Construction of sewers	33,018.45
Names of streets	2,756.59
Damages paid to private parties	1,050.00
Sidewalks at the cost of city	4,189.54
Repairs of street water-closets	3,861.56
Seats on public promenades	2,587.18
Total	289,985.06

Items.	Francs.
Primary education.	
Salaries of teachers	904,889.73
Other general expenses for schools	126,448.72
Excursions for scholars	11,386.91
Rent for primary schools and kindergartens	32,915.33
Repairs of school-houses	40,944.65
Repairs of school furniture	13,333.95
Expenses for public libraries	4,356.00
Subsidies to the societies "Willemsfonds" and "De Veldbloem" for benefit of children	2,000.00
Singing schools	5,085.50
Salaries for the teachers in kindergartens	80,827.29
General expenses for kindergartens	14,276.20
Total	1,236,464.28
Professional education and fine arts.	
Salaries of teachers for professional school for girls	22,500.00
Industrial school, rent, teachers, etc	23,908.13
Subsidy to the Royal Conservatory of Music	25,000.00
Salaries of teachers of Academy of Fine Arts	74,687.49
General expenses of Academy of Fine Arts	30,572.68
Public lectures	13,138.16
Total	189,806.46
"Athénée Royal"—High school.	
Subsidy	81,741.13
Rent, repairs, taxes, and insurance	29,531.96
Total	111,273.09
Religion.	
Lodgings for priests	6,700.00
Lodgings for Protestant pastors and Jewish rabbi	4,800.00
Subsidy for repairing churches and temples	6,930.24
Subsidy for repairing the Protestant church	800.00
Total	19,230.24
Public charity.	
Subsidy to public hospitals and charities	292,064.09
Subsidy for the old men's home	8,000.00
Subsidy for the blind asylum	6,000.00
Other expenses for poor	126.60
Total	306,190.69
City debt.	
Interest on irredeemable debt assumed by city	104,559.23
Interest on mortgages assumed by city	2,031.72
Interest on loan of 7,000,000 (1853)	300,000.00
Interest on loan of 7,000,000 (1856)	300,000.00
Interest on loan of 25,000,000 (1862)	1,000,000.00
Interest on loan of 25,000,000 (1867)	999,997.10
Interest on loan of 36,000,000 (1872)	1,339,765.50
Interest on loan of 76,000,000 (1874)	2,924,614.50
Interest on loan of 65,000,000 (1879)	2,499,997.25
Annuity due to the "Société du Crédit Communal"	34,915.52
Interest on obligations, 1878	19,905.00
Payment of obligations, 1878	25,200.00

EXPENSES—Continued.

Items.	Francs.
City debt—Continued.	
Loan contracted for the professional school	7,980.00
Other expenses for the debt	8,783.00
Total	9,567,748.82
Pension fund.	
Annual pensions for communal employés, widows, and orphans	228,431.18
Other expenses.	
Subsidy to the University of Brussels	75,000.00
Subsidy to the Polytechnical School	25,000.00
Subsidy to complete collections for university	7,500.00
Subsidy to the opera	115,000.00
Subsidy to Belgian dramatic authors	4,000.00
Salaries of watchmen at theaters	11,401.77
Rent, taxes, and insurance for Flemish Theater	43,269.98
Subsidy to Flemish Theater	15,000.00
Subsidy for the study of fine arts	6,662.40
Subsidy for the professional school for tailors	3,000.00
Subsidy for lessons to indigent stammerers	2,000.00
Public concerts for classical music	3,000.00
Public fêtes	39,990.86
National fêtes	31,108.36
Concerts in the park	18,990.50
Band of the fire department	21,000.00
Premiums for fat cattle	11,874.99
Subsidy for the races	16,000.00
Expenses paid to staff officers of the civic guards	1,800.00
Total	451,598.86
Special services—Gas.	
Expenses of works	2,037,488.55
Water.	
Salaries of employés	157,149.53
Expenses of administration	15,336.41
Repairs of pipes, etc	124,564.55
Other expenses for repairs	234,085.69
Total	531,136.18
Canal from Brussels to the Rupel.	
Salaries of employés	38,494.44
Expenses of administration	1,995.22
Repairs of canal	60,362.85
Total	100,852.51
Public warehouse.	
Expenses of the warehouse	1,242.65
Expenses for working the "montecharges"	8,978.77
Wages to watchman	400.00
Total	10,621.42

Items.	Francs.
Markets on public squares.	
Salaries of employés	16,842.12
Office expenses	9,475.53
Total	26,317.65
Covered markets.	
Salaries of employés	5,700.12
Office expenses	3,660.41
Total	9,360.53
"Abattoir"—Slaughter-house.	
Salaries of employés	42,118.80
Office expenses	5,836.35
otal	47,955.15
Fish market,	
Salaries of employés	29,103.03
Office expenses	10,028.52
Total	39,131.55
Public scales.	
Salary of the receiver	2,100.00
Office expenses	680.55
Total	2,780.55
Street cleaning and sprinkling.	
Cleaning and sprinkling the streets	553,574.02
Street sprinklers	1,993.37
Total	555,567.39
Electric clocks.	
Salaries of employés and repairing clocks	8,392.92
Increasing the number of clocks	1,712.82
Total	10,105.74
Secondary education.	
Salaries for teachers for boys' school	123,971.38
General expenses boys' school	10,699.61
Rents and taxes	12,313.26
Subsidy for girls' school	13,000.00
Salaries for teachers for girls' school	103,148.12
General expenses girls' school	19,740.83
Repair of buildings	10,224.29
Repair of furniture	4,897.20
Total	297,994.69
Other expenses.	
Aid to indigents at their homes	133,080.80
Expenses for transportation of criminals	3,706.85
Rent for race track	4,021.74
Refunding of money deposited as bail	36,174.57
Other expenses	42,114.78
Total	219,098.74

RECEIPTS.

Items.	Francs.	Francs.	Francs.
Taxes.		*Sundry receipts*—Continued.	
95 per cent. of State personal tax	1,754,437.50	From "Conseil de Prud'hommes"	674.00
7 per cent. of real-estate tax	1,192,531.08	Other receipts	141.05
Tax on buildings exempt from paying State tax	58,547.31	Total	132,060.66
City tax on licenses	120,110.83	*Subsidies.*	
Tax on carriages	24,390.00		
Dog tax, city	24,905.00	From General Government and provinces, for Academy of Fine Arts	15,000.00
Dog tax, province (share of city)	11,750.00	From same, for industrial school	35,517.00
Tax on stock-brokers	67,675.00	From Government, for general education	5,655.00
Tax on constructions and reconstructions	142,041.04	From Government, for secondary education	30,000.00
Tax on the liquor and tobacco traffic	94,302.12	From Government, for primary education	345,819.33
Tax on merchandise brokers	48,000.48	From Government and province, for "kindergartens"	20,809.35
Total	3,538,690.36	From Government, for public lectures	4,100.00
From public properties.		From Government, for national fêtes	20,000.00
Rents from markets	165,303.30	Total	476,900.68
Annuity from tramways and omnibuses	95,333.32	*From commune, Government, and bankers.*	
Receipts from public carriages	37,955.62	Part of the city in the communal fund	3,165,885.39
Receipts from lots in cemeteries	73,115.20	Rents received from the Government	300,000.00
Receipts from "Bois de la Cambre" (park)	7,724.90	Interest from bankers on account current	36,220.67
Receipts for rents from permanent city buildings	60,688.75	Total	3,502,106.06
Rents from land	5,947.88	*Fines.*	
Other rents	127.60		
Rents from cellars	3,646.75	Receipts from fines, total	6,083.80
Connection of buildings with sewers	23,874.89	*Receipts from special services.*	
Sale of trees	8,300.58		
Total	482,018.79	From gas works	4,243,531.68
From private properties, etc.		From water works	1,489,180.27
		From canal from Brussels to Rupel	319,382.13
Rents of buildings owned by city	535,405.63	From public warehouse	74,013.66
Other receipts	68,220.38	From markets	150,979.47
Rent of Grand Hotel (owned by city)	125,000.00	From slaughterhouse	422,530.43
From the sale of lots (payments running ninety-nine years)	1,533,712.38	From fish market	167,632.88
From loans on buildings	562,110.05	From public scales	3,125.09
From "Quartier Notre-Dame"	957,561.35	From street-cleanings (manure)	131,605.09
From other sources	110,146.83	From electric clocks	2,041.75
Interest on money not used from loan, 1879	781,860.80	From tuition secondary scholars	98,333.43
Interest on temporary investments	14,669.33	Total	7,102,355.83
Receipts from "Society Bains Économiques"	1,950.00	*Other receipts.*	
Receipts from "Society Crédit Communal"	1,940.00	From General Government, poor fund	133,080.80
Total	4,692,576.75	From General Government, transportation of prisoners	3,706.85
Sundry receipts.		For rent of race track	1,021.74
		From cash deposits for bail	36,174.57
From birth, marriage, and death certificates	2,556.85	For ordered work	41,760.80
From sanitary service	10,116.50	From interest on provisional loans	2,049.78
From neighboring communes, for fountain service	11,935.00	Total	220,794.54
From funerals	105,688.26		
From St. Gilles and Ixelles, for repairs of squares	949.00		

Recapitulation of expenses and receipts of the city of Brussels for 1884.

Expenses.	Francs.	Receipts.	Francs.
Administration	986, 930. 62	Taxes	3, 538, 690. 36
Communal property	259, 387. 12	Properties	482, 018. 79
Private property of city	166, 835. 48	Private property	4, 692, 576. 75
Public security	1, 378, 411. 67	Sundry receipts	132, 060. 66
Public health	95, 647. 43	Subsidies	476, 900. 68
Service of funerals	121, 381. 00	Commune, Government, and bankers	3, 502, 106. 06
Streets	289, 985. 06	Fines	6, 083. 80
Primary education	1, 236, 464. 28	Special services	7, 102, 355. 83
Professional education and fine arts	189, 806. 47	Other receipts	220, 794. 54
High school	111, 273. 09	Total receipts	20, 153, 587. 47
Religions	19, 230. 24	Total expenses	19, 257, 732. 65
Public charity	306, 190. 69	Excess of receipts	895, 854. 82
Debt	9, 567, 748. 82		
Pension fund	228, 431. 18		
Other expenses	451, 598. 86		
Special services	3, 888, 410. 65		
Total	19, 257, 732. 65		

Extraordinary expenses and receipts.

	Francs.
Extraordinary expenses:	
Debt:	
Refunding irredeemable loans	69, 757. 16
Refunding of the loan of 1878	25, 200. 00
Total	94, 957. 16
Extraordinary work on streets and squares	852, 602. 61
Extraordinary construction of public buildings	2, 768. 872. 32
Other extraordinary expenses	279, 719, 92
Total	3, 901, 194. 85
Extraordinary receipts:	
Total from the sale of public lots, property and subsidies from General Government for statues and works of art	1, 082, 166. 01

GENERAL RECAPITULATION.

Ordinary receipts		20, 153, 587. 47
Extraordinary receipts		1, 082, 166. 01
Total receipts		21, 235, 753. 48
Ordinary expenses	19, 257, 732. 65	
Extraordinary expenses	3, 996, 152. 01	
		23, 253, 884. 66
Deficit		2, 018, 131. 18

The foregoing comprises the receipts and expenditures of the city of Brussels proper, with a population of 171,751 in 1885, and excluding the nine suburbs (*faubourgs*), which have each an independent municipal government. Brussels proper, with the nine faubourgs, having an aggregate population of about 450,000, is known as the "agglomération Bruxelloise," and practically forms but one city.

WILLIAM SLADE,
Consul.

CONSULATE OF THE UNITED STATES,
Brussels, August 15, 1887.

TAXATION IN BELGIUM.

REPORT OF CONSUL POLACHEK.

Belgium is neither a centralized country like France and (to a certain extent) like England, nor a confederation like the United States and Switzerland. The provinces and communes (townships) enjoy a real autonomy; the rule as stated in the constitution of the kingdom being that provincial affairs are to be settled by the provincial assembly, and local affairs by the communal council (both being elected bodies), but the right of canceling any decision which might be considered contrary to the interest of the state is vested in the central government.

As a consequence of this, taxes are established and levied not only by the state, but by the provinces and communes also, the only condition being that the creation of any new local tax is subject to the approval of the Government.

STATE TAXES.

The sources of the public revenues are the direct taxes, the indirect taxes, the tolls, the capital belonging to the state with the income derived therefrom, etc.

DIRECT TAXES.

The taxes are, politically speaking, of great importance, as the electoral franchise for both houses of the national parliament is only accorded to the citizens paying a minimum of 42.32 francs direct taxes per annum.

The direct taxes consist of the land tax, the personal tax, the licenses, and the tax on mining concessions.

Land tax.

The whole of Belgium has long ago been surveyed, and every house and landed property valued, and the supposed income to be derived therefrom estimated as a basis for the land tax. The valuations are to be revised at certain intervals in order to take into consideration the possible rise or fall of the income on property.

The land tax to be paid by every landed proprietor (for houses and other buildings as well as for land) amounts annually to 7 per cent. of the estimated income thereon. But one should bear in mind that this estimated income is considerably below the real income, and as a rule the appraisement rarely exceeds two-thirds of the value.

Personal tax.

The personal tax includes the tax paid by householders or tenants (not the proprietors) on the valued amount of their rent, the tax paid by the same on the doors and windows of their dwellings, the tax on furniture, on servants, and on horses.

(1) *Tax on the value of rent.*—Every householder has to pay an annual tax of 5 per cent. on the supposed amount of his rent. The valuation as made by the Government agents is generally very low, and seldom exceeds 50 per cent. of the actual rent.

(2) *Door and window taxes.*—Are divided into two classes. Doors and windows opening either into the street or into private grounds are of the first class. Doors and windows in basements and above the second story are of the second class.

The scale of this tax is established according to the population as follows:

In communes of—	First class.	Second. class.
	Francs.	*Francs.*
Less than 5,000 inhabitants, each	1.00	1.00
Five thousand to 10,000 inhabitants, each	1.10	1.10
Ten thousand to 25,000 inhabitants, each	1.30	1.10
Twenty-five thousand to 50,000 thousand, each	1.80	1.10
Fifty thousand and more inhabitants, each	2.28	1.10

The number of doors and windows being ascertained by the Government agents themselves, this tax can not be tampered with, and is paid in full.

(3) *Tax on furniture.*—A tax amounting to 1 per cent. on the estimated value of one's furniture is to be paid annually. The tax-payer has the choice of having his furniture valued by the Government agent or of having it taken for granted that its value is equal to five times his estimated house rent. For instance, the estimated rent being 1,000 francs, the furniture will (without valuation) be considered as representing a sum of 5,000 francs, and consequently the tax will be 50 francs.

It may be stated the Government valuation is always very low, bedroom furniture, kitchen utensils, books, works of art, etc., never being included.

(4) *Tax on servants.*—This tax does not apply to servants living out of the house, nor to mechanics, journeymen, apprentices, and work people generally.

The amount of the tax is:

	Francs.
For one servant employed at the same time as workman	8
For one female servant	10
For two female servants, each	20
For more than two female servants or when a man servant is employed besides, each	25
For one man servant	25
For two, three, or four men servants, each	30
For more than four men servants, each	40

For every man servant wearing a livery an additional tax of 10 francs is collected.

(5) *Tax on horses.*—Horses used only for pleasure are taxed as follows, viz:

	Francs.
When only one is kept	50
When only two are kept, each	60
When no more than five are kept, each	70
When more than five are kept, each	80
Horses used for business as well as pleasure (for instance, officers' horses) are taxed, each	20
Each horse kept for hiring purposes	10

Dealers who, as a rule, do not have more than ten horses in their stables pay a global tax of 100 francs, the others a tax of 200 francs.

It should be mentioned that for the present these five taxes (that is to say, the personal tax,) have been increased in order to meet the treasury's requirements as follows: The tax on the valued rents by 35 per cent., and the others by 15 per cent. The increase was of course supposed, when voted, to be only temporary, but as the wants of the state increase instead of diminishing the additional tax may now be considered as permanent.

It may be noticed that the whole of the personal tax is, in fact, a kind of income tax, the size and value of the house one lives in, the value of

his furniture, the number of his servants and horses being, as a rule, almost accurate indications of a man's means.

Licenses.

Nearly every profession and trade is subject to the yearly payment of a tax or license. A few professions only are excepted, such as public officials, priests, barristers, artists, officers, and literary men.

The licenses are divided into different classes, each paying a fixed tax annually. The classification is made by assessors appointed by the municipalities.

It would be rather difficult to give here in a few lines a complete description of the scale of licenses, as the mere text of the law that deals with this subject covers no less than 112 octavo pages. It will therefore suffice for the purpose if I give here a few explanations in order to demonstrate how the system is worked.

The Belgian law fixes for the classification of licenses two different scales.

Scale A.

Class.	Francs per year.	Class.	Francs per year.
First	401	Tenth	36
Second	334	Eleventh	27
Third	278	Twelfth	20
Fourth	223	Thirteenth	13
Fifth	167	Fourteenth	9
Sixth	122	Fifteenth	5.30
Seventh	89	Sixteenth	2.76
Eighth	67	Seventeenth	1.70
Ninth	49		

The cost of a license under Scale A is the same in the whole kingdom.

(1) For some trades, such as silk, wool, cotton, and flax manufacturers (barring exceptions), dyers, hatters, cotton printers, tanners, cutlers, printers, ship-builders, etc., the classification is made according to the number of workmen employed, as follows:

Number.	Class.	Number.	Class.
More than 300	1	21 to 32	8
200 to 300	2	14 to 21	9
140 to 200	3	9 to 14	10
100 to 140	4	6 to 9	11
70 to 100	5	3 to 6	12
50 to 70	6	1 to 3	13
32 to 50	7		

(2) For other trades, such as cloth makers working without machines, sail-cloth makers, cotton spinners with or without machines, weavers, lace makers, diamond cutters, etc., according to the same standard but by a different classification, as follows:

Number.	Class.	Number.	Class.
More than 500	1	32 to 50	9
400 to 500	2	21 to 32	10
300 to 400	3	14 to 21	11
200 to 300	4	9 to 14	12
140 to 200	5	6 to 9	13
100 to 140	6	3 to 6	14
70 to 100	7	1 to 3	15
50 to 70	8		

(3) For distillers and brewers according to the quantity of spirits, beer, or vineger they have manufactured.

(4) For millers a percentage of the estimated rental of their mill, the percentage varying from 2 to 4 per cent., according to the kind of grain milled.

(5) For mills other than grain mills according to the kind of stuff ground and the manner of working them. For instance, a tobacco mill, when worked by steam or water power, is put in from classes 6 to 11; when worked by wind power in classes 6 to 10; and when worked by horses in classes 9 to 12.

(6) For some trades, such as blast furnaces (which are put in from classes 7 to 9) gun powder manufactories (classes 6 to 8), cider manufactories (in classes 10 to 16), etc., the tax is estimated according to the kind of business, the number of workmen being of no consequence, the classification being according to the following table:

Class.	Sales.	Class.	Sales.
	Francs.		*Francs.*
First	Over 265, 000	Tenth	23, 320 to 29, 680
Second	212, 000 to 265, 000	Eleventh	16, 960 to 23, 320
Third	159, 000 to 212, 000	Twelfth	12, 720 to 16, 960
Fourth	116, 000 to 159, 000	Thirteenth	8, 480 to 12, 760
Fifth	84, 800 to 116, 000	Fourteenth	6, 360 to 8, 480
Sixth	63, 600 to 84, 800	Fifteenth	4, 240 to 6, 360
Seventh	48, 760 to 63, 600	Sixteenth	2, 120 to 4, 240
Eighth	38, 160 to 48, 760	Seventeenth	Under 2, 120
Ninth	29, 680 to 38, 160		

(7) For shopkeepers according to the value of the goods sold.

(8) For pedlers and others numerous rules are edicted according to their nationality and their manners of trading (in booths, in the open air, in wagons, etc.).

(9) For some according to their occupations; thus scissors grinders belong to classes 10 to 12.

(10) For limited companies, according to the profits, the duty being 1¾ per cent. of the said profits.

(11) For managers, stewards, business agents, clerks, etc., according to their salaries or gains. Salaries of 33,920 francs and upwards belong to the first class and so on; salaries of less than 636 francs corresponding to the seventeenth class.

Scale B.

Class.	Brussels, Antwerp, Ghent.	Liege, Bruges.	Louvain, Malines, Mons, Namur, Ostende, Tournai.	Alost, Ath, Courtrai, Lokeren, St. Nicolas, Verviers, Ypres.	Nivelles and twenty other small towns.	All the other communes.
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
First	423. 00	370. 00	280. 00	194. 00	142. 00	111. 00
Second	323. 00	285. 00	214. 00	149. 00	111. 00	89. 00
Third	245. 00	214. 00	162. 00	114. 00	89. 00	67. 00
Fourth	185. 00	160. 00	122. 00	87. 00	67. 00	51. 00
Fifth	138. 00	118. 00	91. 00	67. 00	51. 00	40. 00
Sixth	100. 00	87. 00	67. 00	51. 00	38. 00	29. 00
Seventh	73. 00	65. 00	51. 00	38. 00	27. 00	20. 00
Eighth	51. 00	45. 00	38. 00	27. 00	20. 00	14. 00
Ninth	38. 00	33. 00	27. 00	20. 00	13. 00	10. 00
Tenth	27. 00	22. 00	20. 00	13. 00	9. 00	8. 00
Eleventh	20. 00	16. 00	12. 00	9. 00	7. 00	6. 00
Twelfth	10. 60	9. 54	8. 48	5. 30	4. 24	3. 40
Thirteenth	5. 30	4. 88	3. 82	2. 76	2. 12	1. 70
Fourteenth	3. 40	3. 18	2. 55	1. 70	1. 38	1. 06

Licenses under Scale B are to be paid: (1) By all kinds of mechanics and artisans who work for themselves and employ workmen. The classification is made according to the number of hands employed. (2) By inn and hotel keepers according to the number of rooms; by bathing establishments according to the number of bath-rooms; and by keepers of billiards according to the number of tables. (3) For bankers, merchants, ship-owners, brokers, doctors, bakers, publicans, etc., according to rules established for each trade. The number of rules as stated in the law being 143, one example will suffice. A ship-owner trading from one port to another will belong to class 1 to 4. If he simply fits out ships to be chartered by others, his class will be 6 to 10. If he fits out ships for the herring, whale, and cod fisheries, his class will be 4 to 10. And if he only fits out small fishing smacks his class will be from 10 to 13.

Tax on mining concessions.

The opening and working of a mine is done only upon permission being obtained from the Government, and the license is granted on payment of a yearly tax.

INDIRECT TAXES.

The customs. The excise duty: (1) Foreign mines; (2) spirits made in Belgium; (3) beer and vinegar; (4) sugar; (5) tobacco.

The registration fee, including: (1) The registration and mortgage duty. (2) Duties to be paid on the amount of every inheritance in bequest. (3) The stamp duty; every court document, agreement, poster, draft, and even every notice, even when put up in a window and which can be read in the street, must have a Government stamp affixed, these taxes amounting to from 5 centimes up to several hundred francs, the latter amount being on bequests. The duty is based upon the size of the paper and also upon its money value. (4) The fines.

The sealing and stamping duty concerning coins and weights.

TOLLS.

This includes the tolls paid for the navigation of rivers and canals and the income derived from the working of the Government railroads and mail-boats, and also from the postal and telegraph departments.

CAPITAL AND INCOME FROM TOLLS.

Various sources of revenue are included under this heading, the principal being the public lands and woods, the pilot and light-house duties, the Government shares in the profits of the national bank, the interest upon investments, the annual tax paid by the different companies of district railroads, etc.

Finally one must not forget the repayment of money due and other receipts of all kinds, such as profits and outstanding debts, etc.

COLLECTION OF STATE TAXES.

State taxes are collected by the Government. The officials are numerous, and it would be quite impossible to state here who is to receive every one of the smaller taxes.

However, it may be said that for that purpose two great administrative bodies are in existence: (1) The administration of direct taxes, customs, and excises. (2) The administration of registration and of public domains.

The former collects the direct taxes, the customs, and the excise duty; the latter the registration duties, etc.

The head of all administration is in Brussels. In each province there is a director of taxes, and a director of registration, each having under him a number of collectors and inspectors. The collectors have no fixed salary, but a percentage on the amount of taxes paid during the year within the limits of their district; however, in no case can a collector receive more than a certain maximum, this maximum being for the collectors of direct taxes, customs, and excises 10,000 francs per annum.

PROVINCIAL AND COMMUNAL TAXES.

We have seen that provinces and communes are at liberty, provided they obtain the Government's approval, to levy taxes. They freely make use of this right, and taxes of all kinds are levied in most localities. Of course they are not the same everywhere, and it would be impossible here to give even by approximation an idea of the innumerable objects some of these taxes touch.

As a rule, nevertheless, provinces, and especially communes, find it easier to add a few additional centimes to every franc of the state taxes. For instance, in the province of East Flanders, of which Ghent is the capital, the land-tax being (as it is in fact everywhere) 7 per cent.; 9½ centimes more for every franc are to be added for the benefit of the provincial exchequer. Thus the estimated income of a piece of land being 100 francs, the land (state) tax will be 7 francs, and the additional provincial tax 66½ centimes.

Local taxes (excepting additional centimes to the state taxes, which are also collected by the Government collectors) are collected by local collectors appointed by the local authorities, and receive as a rule a fixed salary.

MAX POLACHEK,
U. S. Consul.

GHENT, *June* 10, 1887.

Abstract of the budget of the city of Ghent for the year 1887, *as presented by the municipality to the town council.*

[Number of inhabitants (within the precincts of the city), 143,242.]

RECEIPTS.

Ordinary receipts:	Francs.
Rental of houses and other real property belonging to the city	80,949.38
Various tolls (such for using the city's scales, the medical examinations of cattle at the city slaughter house and of fish at the fish-market, the licenses of cabs, etc.)	150,310.00
Local tax of 7 per cent. on the valued income of houses and lands.	483,000.00
Additional centimes to the state taxes (viz., 40 per cent. to the personal tax, 25 per cent. to the licenses) after deducting the costs of collection, which amount to 2 per cent. of the sum collected, granted to the state collectors, and also bad debts	360,000.00
Local tax of 4 per cent. on the values of sites receiving buildings for the first time, and adjoining a public thoroughfare	9,000.00
Local tax on dogs	17,500.00
Share of the city in the communal fund	1,549.051.00
(N. B.—The said fund was created by the Government when the local customs were done away with in 1860. Every municipality in the kingdom is entitled to receive annually a proportional share of the income derived from it.)	
Local tolls at the docks and public markets	405,000.00
Local tax on inhabited houses, factories, and warehouses	168,000.00
Local taxes on horses for pleasure purposes	25,000.00

		Francs.
Ordinary receipts—Continued.		
Local taxes on furniture		107,000.00
Local taxes on servants		19,000.00
Local taxes on carriages		10,000.00
Local additional tax of 25 per cent. on all licenses exceeding 51 francs.		25,000.00
Local tax on steam-boilers		33,000.00
Local tax on handbills		2,000.00
Various revenues (fines paid by the civic guard, income derived from moneys invested, exclusive of the loan, taxes paid by clubs, etc., for the occasional use of municipal buildings, etc.)		130,151.96
Income connected with the building of the new streets in the "Quartier du Bas-Escaut" (viz, interest derived from investments, annuities received for sale of building sites, annuities paid by builders for money advanced, annuities paid by the "Compagnie Immobilière" for money lent)		319,100.00
Income connected with the municipal schools:		
Various donations and bequests and income derived from investments	17,114.73	
Money received for the pupils in the few paying schools	93,000.00	
Subsidy granted by the state and province	298,204.65	
Varia	9,150.00	
		446,719.38
Miscellaneous revenues (derived chiefly from sums paid by debtors of the city for advances, annuities, public works, etc.)		308,737.00
Total		4,648,518.72

EXPENSES.

	Francs.
Ordinary expenses:	
Indemnity to the members of the municipal council	34,409.52
Salary of the city collector and his four clerks	12,720.00
Salary of the city clerk and his subordinates	93,160.00
Petty expenses of the administration, printing, etc	62,040.00
Salary of the toll officials at the slaughter-house, the city scales, and the docks and expenses connected therewith	34,345.00
Salary of the burial ground officials	8,750.00
Salary of the town fire brigade (F) and expenses	78,604.75
Office expenses of the civic guard (militia). The force consists of six battalions of infantry, a company of sharp-shooters, a battery of artillery, and a troop of horse, numbering altogether over 3,000 men	25,421.95
Expenses connected with the cleaning, sweeping, and watering of the streets	99,200.00
Salary of the two doctors and other expenses connected with the public health	19,850.00
Salaries and other expenses connected with the municipal jails, shooting-gallery, and belfry, etc	27,710.00
Salary of the city engineer and other officials of the department of public works	63,825.00
Salaries of the city gardeners and inspectors	25,400.00
Keeping and repairing the municipal buildings, sewers, quays, pumps, gardens, etc	220,950.00
Expenses of the town water works	88,500.00
Expenses connected with the chamber of commerce and the board of arbitration and salaries of harbor officials, etc	83,619.63
Salary, etc., police force (246 men)	342,460.00
Expenses connected with the lodging of soldiers, etc	35,450.00
Expenses connected with the slaughter-house	12,600.00
Expenses connected with the public markets	15,410.00
Grant to the "Bureau de Bienfaisance"*	61,413.65
Various grants to hospitals, etc	152,642.00
Subsidies granted to religious bodies of all denominations to cover their expenses	9,600.00

*The "Bureau de Bienfaisance" has to help the poor, etc. It has an income of its own, derived from lands, etc., but if there is a deficit the city must pay the difference, this being the case in 1886, the expenses amounting to 410,475.03 francs and the receipts only to 349,061.38 francs.

Ordinary receipts—Continued.	Francs.
Grants to pupils of the Ghent University (bourse d'études), of the Ghent Royal College, and of the Industrial School, etc	33,000.00
The city's share in the expenses of the Ghent Royal College	42,747.00
Expenses connected with the municipal primary schools	821,999.99
Expenses connected with other schools	14,333.33
Expenses connected with municipal schools for men and women	57,676.05
Expenses connected with municipal schools for learning trades	63,576.58
Expenses connected with Ghent Royal Academy of Arts	42,866.52
Expenses connected with Ghent Royal School of Music (city's share)	36,446.00
Public concerts, grants to artists, to learned societies, and others, etc	37,950.00
Grant to the Grand Opera House	47,800.00
Grant to the Flemish Theater	15,400.00
Public festivities	30,000.00
Unforeseen expenses	4,400.00
Interest on the city's debts	1,600,477.19
Pensions to retired officials	103,973.49
Rent of private buildings used by the city	15,967.35
Total	4,576,695.00
Extraordinary receipts:	
Boni of former years, including 108,046.86 francs of outstanding debts	2,784,860.15
Various revenues*	340,064.25
Funds derived from the loan of 1883	2,103,000.00
Funds derived from the loan of 1880	373,139.10
Total of extraordinary receipts	6,001,063.50
Total of ordinary receipts	4,648,518.72
Total of receipts	10,649,582.22
Extraordinary expenses:	
Expenses of former budget not yet settled	104,086.09
Various public works to be completed, extension of water-works, opening of new streets, building of a new bridge, and of schools, etc	793,345.09
Expenses to be paid out of the loan of 1883, consisting of advances to builders and to the "Compagnie Immobilière"	1,000,000.00
Expenses to be paid out of the loan of 1880, consisting chiefly of expenses to be paid for the completion of the docks and the "Quartier Batavia" and building new schools	1,209,426.93
Expenses to be paid out of the loan of 1880, for the completion of the boulevards and the remaining part of the grant to the "Compagnie Immobilière"	345,554.79
Various expenses, consisting of numerous items of former budgets where the credits noted have not been sufficient	126,484.74
Total of extraordinary expenses	3,578,897.64
Total of ordinary expenses	4,576,695.00
Total of expenses	8,155,592.64

BALANCE.

	Francs.	Francs.
Ordinary receipts	4,648,518.72	
Extraordinary receipts	6,001,063.50	
Total		10,649,582.22
Ordinary expenses	4,576,695.00	
Extraordinary expenses	3,578,897.64	
Total		8,155,592.64
Boni		2,493,989.58

* This item includes numerous receipts of all kinds, for instance, subsidies granted by the state for the completion of public works, the purchase of works of art, and also sums received from the sale of property belonging to the city, etc.

Abstract of the state budget of Belgium, as voted by the house of parliament in 1885.

RECEIPTS.

	Francs.	Francs.	Francs.
Direct taxes:			
Land tax		23,429,400	
Personal tax		18,723,000	
Licenses		7,058,000	
Tax on mining concessions		329,000	
			49,539,400
Indirect taxes:			
Customs		26,583,300	
Excises:			
Foreign wines	2,928,900		
Belgian spirits	20,400,900		
Beer and vinegar	9,132,500		
Sugar	2,088,000		
Tobacco	1,200,000		
		35,750,300	
Registration, etc.:			
Registration, mortgages	25,460,000		
Duties on bequests	19,040,000		
Stamp duties	6,920,000		
Fines, etc	1,150,000		
		52,570,000	
Sealing and stamping duties		362,000	
			115,265,600
Tolls:			
Rivers and canals		1,605,000	
State railways		120,700,000	
Telegraph department		3,150,000	
Post department		8,857,150	
Mail-boats		580,000	
			134,892,150
Capital, and income therefrom:			
Public lands, etc		600,000	
Forests		840,000	
Varia		725,000	
Domains belonging to the S. R. W		930,000	
Income derived from prisons		93,000	
Pilot and light-house duties		2,750,000	
Surety funds		3,000,000	
Small items		417,000	
Share in profits, national bank		1,750,000	
Investments		500,000	
Sinking fund not used		4,430,000	
Tax paid by the Société Nationale des Chemins de fer vicinaux		300,000	
			16,335,000
Repayments, profits, etc			3,829,040
Total			319,861,190

EXPENSES.

Public debt	102,965,309
Expenses of parliament	4,678,675
Department of justice	15,399,311
Department of foreign affairs	2,362,985
Department of interior and public education	22,400,178
Department of agriculture, industry, and public works	16,143,848
Department of railways, post, and telegraphs	88,854,474
Department of war (including gendarmerie)	49,065,000
Department of finances	15,847,015
Repayments, losses, etc	1,686,500
Total	319,403,295

BALANCE.

Receipts	319,861,190
Expenses	319,403,295
Boni	457,895

DENMARK.

REPORT OF CONSUL RYDER.

NATIONAL TAXATION.

The subject of national taxation in Denmark may be classed under the heads of direct and indirect taxes, the first amounting to 9,500,000 kroners and the second to 34,300,000 kroners annually toward the State revenue (1 kroner equals 26.8 cents).

Direct taxes.

(1) The so-called "old tax" dates back for more than two hundred years; having been much altered and modified in that time, however, it now bears the character of a land tax, bringing into the treasury an annual sum of 5,000,000 kroners.

(2) *Land tax.*—This is a further tax upon land, similar in character to the "old tax," but of more recent date, yielding to the State 1,700,000 kroners annually.

(3) *Town taxes.*—This tax, which has taken the place of sundry repealed tax laws, is levied by the various town municipalities in the same manner as for their other municipal expenses, and is an allotment impost divided amongst the towns according to population. This tax yields only about 215,000 kroners annually.

(4) *Building tax.*—This tax is levied upon buildings inhabited by all persons not engaged in agriculture, the latter being exempt therefrom, it being assumed that they contribute in like manner under 1 and 2. This tax is levied upon the ground as well as upon the insurance value of the buildings, and yields an annual revenue of about 2,500,000 kroners. It may be mentioned that with the steady increase of buildings in the towns this tax is annually increasing, whilst all the other direct taxes may be said to be stationary.

Indirect taxes.

(1) Stamp duties, imposed upon various documents and monetary transactions, and bringing into the treasury about 2,600,000 kroners per annum. This tax is yearly increasing.

(2) *Succession taxes.*—The rates payable upon successions and legacies are as follows:

One per cent. on succession as between husband and wife, or by the children of deceased, or by father or brother of deceased.

Two per cent. on inheritances by brothers or sisters or their descendants.

Seven per cent. on inheritances to any other degree of consanguinity or to strangers in blood to deceased.

This tax yields about 1,000,000 kroners to the State, and is also an annually increasing one.

Tax on the transfer of real estate, which yields about 700,000 kroners annually.

Fees: This revenue is obtained from the various fees paid in officially to public departments, principally courts of justice, and yields about 2,000,000 kroners annually.

Import duties, combined with the impost levied upon the home sugar (beet) product, bring to the treasury about 24,000,000 kroners, and are yearly increasing. These import duties are levied upon a very large number of articles, but in no case can the duties be called high or in any way oppressive. The duties are levied on weight or measure, save in exceptional cases of ad valorem duties. These customs duties may be considered as assessed for revenue rather than for protective principles.

Shipping dues: These are now only levied upon the entrance of vessels, calculated according to bulk of cargo, and yielding an annual revenue of about 920,000 kroners.

Licenses granted to commercial travelers and others in pursuit of their business transactions: These yield to the treasury 123,700 kroners annually.

In regard to the effects of the foregoing taxes upon the industries of the country, or upon the different classes of the population, it may be said that there is no reason to complain of any undue pressure through any injudicious rates of duty on the several interests. The beet-sugar industry is fully able to compete successfully with any fairly legitimate imports of foreign sugars, notwithstanding the fact that the impost on the home product is only the same as the duty levied on the imported foreign product, but the home producers complain that they are now suffering from the bounties paid by Germany and France to their sugar exporters.

The ship-yards, whilst suffering equally with their foreign rivals from the long-continued depression, are nevertheless, thanks to the much lower cost of labor in this country, fully able to hold their own, while the distilleries and breweries can in no wise be said to suffer any pressure from the customs tariff, inasmuch as they are not only free from any foreign competition in their home trade, but are considerable exporters, especially to the neighboring Scandinavian lands.

On the whole, it may be safely said that the foregoing taxes do not press heavily on any class of the population, as they would appear to be very fairly distributed.

Cost of collection.—Direct taxes, 1½ per cent.; indirect taxes, 8 per cent.

LOCAL TAXATION.

As all the towns are guided by similar principles in raising the local taxes to meet their expenditures, I will confine myself, in this regard, to the course pursued in Copenhagen.

It may not be out of place to remark that whilst the population of this city has increased very considerably in recent years, from 181,000 in 1870 to 280,000 at the beginning of 1885, there has been an equal growth of city expenditures, viz: Poor, schools, police, hospital and water rates, fire-brigade, interest on and redemption of loans. In 1870 the expenses were 3,500,000 kroners; at present the expenses are nearly 7,500,000, about 5,500,000 of which have to be provided for through sources of taxation, the remainder being covered by revenues and interest derived from property owned by the city. It must be said that the wealth and general well-being of the citizens have been very considerably increased since 1870.

The sources of local taxation are (1) tax on real estate, and (2) tax on personal property or income.

Real-estate tax.—Of the first class the oldest tax still in force is that denominated "general ground tax," which, by royal rescript of 1756,

was charged on all ground contained within city walls, and for which a measurement survey was made some years back, under the following mode of procedure: All ground situated within the distance of 20 ells from the street lines, and which was designated "street ground," was taken in full in the survey admeasurement, whilst the remaining ground, designated "inner ground," was only assessed at one-sixth its real value. The ground thus found liable to taxation was valued and rated at fixed rates of 16 öre (4¼ cents) and 2.66 kroners (72 cents) per square ell, according to its situation. By multiplying such scales of rates on the ratable area of ground the tax value was obtained, and for each proportional amount of 160 kroners ($43) of such taxed value the ground was rated for one portion of ground tax. To remedy the inequalities of this system of levying the tax it was enacted that, when the ground was built upon, the value of the building should also be taken into account, so that every 10,000 kroners of the building's insurance should be rated at one portion additional.

The foregoing rating only applied to buildings within the city walls, but as the building of dwelling houses, with the rapid growth of population, was carried on to a very great extent outside the walls the tax was fixed thereon as follows: The unbuilt upon ground was divided into three classes and valued at 1,200, 2,400, and 10,000 kroners per barrel (56,000 square feet), according to the purposes for which they are used, and the ground built upon was rated at the building's insurance, together with its valuation for business purposes. To this, again, a change was made by the law of February 1, 1861, which, on the whole, made a radical alteration in the tax conditions of the city. This law united all the foregoing with the several municipal taxes under one head, viz, ground tax, fixing the same at 15.66 kroners ($4.23) and 18.66 kroners ($5.04) for each ground tax portion, the first for ground within and the second for ground without the city walls. By this enactment the ground tax has become a fixed one, and can only be increased by the levying of a greater number of portions on newly erected buildings. In cases where buildings may be deprived of some of the corporation's benefits, such as lighting, etc., a proportionate reduction on the tax is conceded. This tax, in 1885, yielded to the municipality 790,000 kroners.

Of more recent origin, and of greater financial importance to the municipality is the "areal tax" which, with some few later mentioned exceptions, is levied on all buildings in the city. This tax, by the law of February 19, 1861, was re-arranged and, as with the ground tax, is now fixed at a constant rate of 13½ öres (3¾ cents) per square ell on the frontage, and at 9 öres (2½ cents) per square ell on the sides and back part of the building. From this tax small dwellings, under 64 square ells, are exempt, and the corporation is empowered to concede to other buildings, viz, charitable institutions being exempt from a part or at times for the whole tax. The "areal tax" was budgeted for 1885 with a yield of 1,735,000 kroners.

The paving tax, which is estimated at 100,000 kroners, is only levied upon property within the city walls.

Local income tax.—The law of February 19, 1861, which granted to the municipalities throughout the kingdom power to levy an income tax, was of the greatest importance as a means of supplementing their revenues from other sources. The law, however, provides that this tax shall not be levied at a higher rate than 3 per cent. on the income. All incomes derived from the following sources are liable to income tax: From real or personal property; from official or other employment, business, half-pay, securities, warrant allowances, or other similar sources; from

interest or dividends on all kinds of public or other funds, shares, or other money effects, as well as for all capital placed out on loan at home or abroad. From all income derived from trade sources, all office expenses may be deducted. Each tax-payer is also allowed to deduct from this income such amount as has been paid by him in the preceding year for taxes to the state or to the municipality; also the interest of such mortgage debt as may be due on his real estate, together with the expenses of repairs to the same.

Incomes below 800 kroners ($215) are exempt; incomes from 800 to 2,400 kroners receive an abatement on the following scale: Incomes of 800 kroners rated at 200 kroners; of 1,400, rated at 400; of 1,200, rated at 600; of 1,400, rated at 900; of 1,600, rated at 1,200; of 1,800, rated at 1,500; 2,000 rated at 1,800; 2,200 rated at 2,100. Liability to full taxation occurs when an income of 2,400 kroners is reached.

The income tax is fixed by a board of assessors, consisting of four members, of whom two are elected by the magistracy and two by the town councilors of their own body, together with four assistant members for each district of the city to assist the board in the rating of the inhabitants.

The city is divided into twenty-three districts, for each of which one tax collector or more is or are appointed according to the size of the district, and these collectors at the close of each calendar year have to furnish the tax office with a list of the inhabitants with accompanying information as to their social and pecuniary positions. A printed form is therefore forwarded to each tax-payer, together with a copy of the tax regulations. It is then optional with the tax-payers to make out their income returns for the preceding year, the same to be delivered at the tax department on or before the first day of March, where they are opened and arranged. A printed list of the returns is supplied to the board of assessors, with all possible information to guide the board in making assessments. Where the board is not satisfied as to the correctness of any returns, the party making out the same is notified that it can not be accepted without further documentary evidence. On failure of the tax-payer to satisfy the board the latter proceed to make the assessments. It is estimated that two-thirds of the tax-payers avail themselves of the "option" to make out their own returns. When the assessments are made out a printed list for public inspection is issued by the board, and any tax-payer feeling aggrieved at his assessment can note an appeal within fourteen days. Should the board fail to act on this appeal the tax-payer, within fourteen days more, can appeal to an upper board, consisting of three members appointed by the Crown for a term of three years, whose decision is final.

The income tax, which is at present fixed at 2 per cent. of the tax-payers' income-brings to the city's treasury about 2,500,000 kroners. The tax is collected by authorized agents, who are obliged to give ample security for the faithful performance of their duties, for which they receive a remuneration of 2 per cent. on the amount collected, together with an allowance for house rent in return for the obligations imposed upon them of having residences and offices in their districts. This income tax does not seem to be objectionable on the score of undue burdensomeness; the only complaints made are in regard to the publicity of the pecuniary conditions of the individuals taxed.

The aggregate state and municipal taxes levied in the Kingdom are computed at about 10 per cent. of the national income.

HENRY B. RYDER,
Consul.

UNITED STATES CONSULATE,
Copenhagen, June 27, 1887.

FRANCE.

REPORT OF CONSUL DUFAIS.

National taxes are of two kinds—direct and indirect. Direct taxes are levied on persons and their possessions; indirect taxes are levied upon articles of consumption.

There are four kinds of direct taxes: Taxes on real estate, doors and windows, personal property, licenses (patents).

Besides, there are various taxes assimilated to them, the principal ones being prestations in kind and the dog tax. Direct taxes are divided into those of repartition and those of quota.

Those of repartition are fixed by the financial law (budget) and partitioned upon departments, arrondissement (districts), communes, and then upon tax-payers.

Taxes of quota are such as are eventual and resulting from the application of the tariff.

Taxes on real estate, doors and windows, personal, and mobiliary are taxes of repartition; taxes for licenses (patents), prestation in kind, and dogs are taxes of quota.

The principal of these four direct taxes is increased by supplements of so many centimes in a franc of the principal, be it to swell the resources of the state or to provide for the local expenses of the department or commune.

The first of these additional centimes are called general centimes, and are like the principal fixed every year by law (the budget); the other centimes, called facultatives, are annually voted by the general and municipal councils. However, in the absence of such a vote, the Government may fix the tax levy to provide for such expenses as are deemed necessary.

Direct taxes are levied from tax-payers, a list of whom is prepared containing a detailed description of the taxation they are subject to. The authorities who prepare the matricular lists, together with the tax commissioners, are the mayor and communal assessors, of whom there are seven, namely, the mayor, the adjunct or substitute, and five tax-payers on real estate, of which two at least must reside in the commune. Besides these there are five substitute assessors, nominated by the sous-préfet on presentation of the mayor.

Not less than five assessors form a quorum.

This commission prepares the matricular tax-list regarding the tax-list of repartition, prestation in kind, and dog tax. The list of tax-payers for licenses (patents) is prepared by the assessors of direct taxation, with the assistance of the mayor and his delegates.

TAX ON REAL ESTATE.

This tax is levied upon all landed property according to its taxable net revenue, without any other exceptions than those allowed for the encouragement of agriculture or in the interest of general utility. Exempt are: Streets, public parks, public promenades, rural roads, rivers, streams, creeks, lakes, bare and arid rocks, the forests of the State; the latter, however, pay the additional centimes necessary for the expenses of the departments to the extent of half their taxable value; also buildings and grounds of public utility belonging to the State, to the

department or commune; when the State, department, or commune acquires a building for barracks, school, parsonage, etc., the right of taxation ceases from the day of sale, and the proprietor may demand a restitution of taxes paid pro rata.

Buildings for agricultural use, such as barns, stables, cellars, presses, poultry-yards, etc., are not taxed as buildings, only their superficial area is taxed like most arable land.

Tax collection stops on houses or workshops in course of demolition, provided the proprietor gives notice of such intention of three months.

Exemption is granted for two years to houses, manufacturing establishments, mills in the course of building or reconstruction, and are for that time only taxed for the superficial extent; thus a house becoming inhabitable in 1887 is only taxable from the first of January, 1890.

Drained marshes are exempt for twenty-five years; land being worked after having laid idle for fifteen years, for ten years; land cleared of woods and afterwards planted or sown in wood, for thirty years; land idle for fifteen years or cleared, being planted with vines or mulberry or other fruit trees, for twenty years; the latter land can only be taxed during the first fifteen years as similar unplanted land.

The proprietor, in order to enjoy the benefit of these exemptions for draining, clearing, or other like improvements, must make a detailed declaration of the land he wants to improve and have it verified by the mayor and tax assessors.

The taxable revenue of land to be planted or sown in wood can only be valued for the first thirty years of planting or sowing at a quarter of similar unplanted land. All plantations of wood on mountain sides or dunes are free of taxes for twenty years.

FIXITY OF REAL-ESTATE TAXES.

The different revenues for which the real estate tax has been fixed at the time the cadastre or tax-roll has been prepared can not be altered, whatever the improvements or deteriorations of the property may have been by either the industry of the proprietor or his negligence.

Any proprietor may make his application for a reduction from the classification of his unimproved real estate during six months after the first cadastral roll has been opened, but this time once passed, only such reclamations can be made which apply to subsequent causes, independent of the will of the proprietor.

However, cadastral revenues of land, covered or not covered by buildings, may be modified in case article 7 of the land law of August 7, 1850, is appealed to, which is as follows:

> In any community assessed (cadastrée) for at least thirty years, the municipal council, concurred in by the general council, may make application at communal expense for a revision and renewal of the tax-roll (cadastre).

The valuation of the taxable revenue of houses and workshops may be revised every ten years (law 3 Frimaire, year VII). This revision is made with the authorization of the prefect, and is made by the assessors, assisted by the controller. The mayor has to inform the tax-payers that he proceeds to the renewal of the valuation of houses and workshops, and that they may apply for a reduction within three months of the publication of the tax-list from the valuation of their property.

The assessors have no right to make any reduction whatever except in cases of changes made in buildings provided for in another paragraph.

If the revenue of land not built upon, though in principle justly valued, but after such valuation, in consequence of unforeseen events

and independently of the will of the proprietor, is destroyed or injured, the owner can claim; on the other hand, if by the change of a bed of a river, stream, or torrent new land is formed and becomes taxable, the proportionate value will be increased.

New constructions: Houses and workshops newly constructed or rebuilt will be taxed like other similar porperty in the commune according to the general average of such houses and not according to the value of adjoining houses taken in comparison; the cadastral revenue of houses and workshops, enlarged or heightened, is to be modified in the same manner.

Barracks, schools, parsonages, or rural buildings, before not taxable, become so by changing their character, in the same way as other similar property.

The assessors in presence of the controller make the assessment, subject to the revision by the prefect if he sees fit.

DOOR AND WINDOW TAX.

This tax applies to the doors and windows into streets, court-yards, and gardens of houses or workshops.

In general all openings giving air or light to houses and buildings for human habitations, shops, workshops, sheds, warehouses, etc., are taxable, whatever their shape, dimension, or fastening may be.

Thus all openings to afford light to the stairs, to a habitable room, doors and windows opening on a covered yard, doors and windows of a private chapel of any locality of commerce, of a loft used for a warehouse, the openings of a private school, of a habitable house used for rural purposes, the door of a garden leading to a dwelling, all are taxable.

The openings to new buildings become taxable as soon as they become habitable. If at the time of the making of the tax-roll some rooms in a new house are not yet habitable, the openings of such rooms are for the time exempt. If the entire front of a room or atelier consists of windows, the number of windows to be taxed is determined by their solid divisions of either iron, stone, or wood. Cross-barred and Gothic windows count for one.

The door and window tax is graduated according to the number of inhabitants and the nature and number in which they are arranged.

Doors for the passage of carriages or vehicles are taxable, and in the same manner doors or gates at the entrance of a yard, or a simple barrier fastened with a willow-band leading to a habitation. If on a farm there are more than one such gates, only one is taxable as a portecochére, the others simply as openings.

Taxes as portecochéres also apply to (1) doors leading into houses occupied wholly by a banker, exchange-broker, merchant, wholesale trader, brokers, (2) the principal door of stores occupied by said class if the warehouse is situated on the ground floor, and if the said door leads into a street or court. Exempt are the doors and windows to light or air of barns, sheep-folds, stables, granaries, cellars, etc., not intended for human dwelling, also openings of wood-houses, wash-houses, hot-houses, dairies, bake-houses, houses for public, military, or school service. Functionaries, professors, stewards, and similar employés lodging gratuitously in public buildings are taxed for their personal use of doors and windows.

Further exempt are doors or gates not locked, windows placed above doors or openings of this kind, interior doors of communication from one

yard to another, or those leading from a yard into a garden. The doors of enclosures, yards or gardens, which close rural buildings, openings of pavilions for storing agricultural or garden utensils, flowers or seeds.

Doors and windows of manufacturing establishments are not taxable, except those in the dwelling part.

PERSONAL AND MOBILIARY TAX.

General principles.—This tax is exacted from every French inhabitant or foreigner of either sex, enjoying all civic rights, not reputed as a pauper, whether widow, woman separated from her husband, young man or woman making their own living, either by having some personal property or following a profession, even if living with their parents, tutors or guardians.

The personal mobiliary tax is twofold, the personal tax and mobiliary tax.

Personal tax.—Its quota is fixed every year for every commune by the council of the arrondissement on the proposition of the prefect; still it can not go below 1.50 francs nor above 4.50 francs.

The personal tax is due in the commune of the tax-payer's domicil. In case of having two domicils, it is to be paid where the tax-payer lives most of the time, where he has his principal residence, or where he follows his profession or occupation.

Mobiliary tax.—This tax is governed by the amount of rent paid or the rentable value of the dwelling of the tax-payer. That portion of a house used exclusively for trade or a similar purpose, and not for a residence, is not counted in the valuation of the rentable value, like a furnished house or a private chapel; but premises or dependencies of dwelling-houses, courts, stables, and carriage-houses of luxury, clubs, literary societies, and masonic lodges are counted in.

The mobiliary tax, being a tax of repartition, it is not necessary that the figures, taken as a basis for taxation, should be the real rent; it is sufficient that the proportion of the assumed rent, the basis of the tax, and the real rentable value of the dwelling should be exactly the same for all tax-payers; so that a taxed citizen can convince himself whether he is overtaxed or not by comparing his own rent with that generally charged in his community.

Persons living in furnished rooms are subject to the mobiliary tax according to the valuation of the rooms in an unfurnished state, even if the proprietor has paid the whole tax; in this case the tax-payer has his redress against the proprietor renting the rooms.

Public functionaries lodged gratuitously in houses belonging to the State, department, or communes, pay taxes according to the assessable relative rental value.

Exempt are servants of either sex, if they are lodged and fed by their masters and exclusively in their service; in this case their masters are assessed; they are, however, assessed in case they own or rent a dwelling for themselves or for their families.

Officers in garrison, without fixed residence, are free up to the reglementary indemnity allowed by the state; if this is exceeded the mobiliary rent is charged.

LICENSE OR PATENT TAX.

Every individual Frenchman or foreigner in France engaged in commerce, trade, industry, or a profession, not embraced in the exemptions provided for by law, is obliged to take out a license.

This tax comprises a fixed and a proportionate tax.

Fixed taxes are regulated by law, June 4, 1858, according to Tables A, B, C, which modify the taxes annexed to previous laws. The tax-payer must belong to one of these three different categories; the fixed tax is then regulated by a general tariff and according to the population of the commune, or according to the population and the situation of the commune by an exceptional tariff, or finally without regard to the population, but according to the elements of production.

Commercial, industrial, or professional avocations not specified in the tables are nevertheless subject to the license tax, which is regulated according to similar industries.

If one proprietor owns several establishments, shops, or stores, he is taxed for one of them at the highest rate which the rules of population or nature of his trade, industry, or profession govern; for every one of the others to the extent of one-half in the respective communes. Thus, (1) in an establishment of Table A or B of different occupations the fixed tax rate is for that profession which pays the highest rate; in an establishment (2), Table C, the fixed rate is regulated according to all the combined elements, without the tax, however, exceeding the maximum of any of them.

If among these industries there should be one liable for a fixed tax independently from the tax assessable by reason of production, such, for instance, as for fires, ovens, boilers, vats, pits, spindles, looms, grindstones, cylinders, workingmen, etc., only one of these fixed taxes, and that the highest, is to be applied, over and above the taxes ruled by principle of production.

Thus, for illustration, an establishment containing a woolen mill of 12,000 spindles and a dyeing house, giving employment to 30 hands, is taxed as follows:

	Francs.
Spinning mill, fixed tax	5
12,000 spindles, at 3 francs per 100	360
Dyeing house, fixed tax	15
30 workingmen, at 3 francs	90

The fixed tax for the mill being below that for the dyeing house, the whole is to be taxed 465 francs (the 5 francs for the mill being left out).

If the total tax had been 600 francs, the fixed tax would have been reduced to this figure, 600 francs being the maximum taxation for a spinning mill, and 300 francs for a dyeing house.

If one proprietor owns several establishments each establishment is taxed proportionately, according to the above rule. The entire fixed tax is levied upon the principal establishment, and only one-half the fixed tax upon the others.

In establishments where the fixed tax is regulated according to the number of hands employed, the hands below sixteen years of age or above sixty-five years count only for half.

PROPORTIONAL TAXES.

This tax is levied upon the rentable value of a dwelling-house, as well as of warehouses, stores, shops, workshops, sheds, or any other locality in connection with the exercise of a taxable profession. It is due the same if the dwelling or locality is occupied rent free.

The proportionate tax for workshops and industrial establishments is levied on their tenant value taken in their entirety and furnished with all the material of production.

According to this article of the law, which, with the exception of gas manufacturers, is applicable exclusively to tax-payers of Table C, not only the rentable value of the building, but also the rentable value of machinery and all industrial appliances, such as motor power and accessories, are taxable.

Spare machinery does not count; only the real motor power used in manufacturing is taxed of either hydraulic or steam machinery.

The proportionate tax is payable in all the communes where the warehouses, stores, sheds, etc., are situated.

If a tax-payer owns more than one dwelling-house he pays the proportionate tax only in the one where he exercises his industry and where he trades.

The proportionate tax is fixed at the twentieth part of the rentable value for all taxable professions or trades with the exceptions stated in Table D, appended to the law, June 4, 1858, too numerous to be quoted here.

PRINCIPLE OF EXEMPTIONS.

Not subject to this tax are clerks and persons working for wages by the piece or by the day in houses, workshops, sales-rooms; mechanics working at home or with a private person who does not employ a companion or apprentice, even if the said workman works for his own account or with his own material or without a shop sign. A woman working with her husband, unmarried children working with their parents, or the simple mechanic whose help is indispensable to an employer exercising his profession are to be counted as companions or apprentices. The exemption stops as soon as the work of the employer partakes of the character of commerce, trade, or speculation.

Exemption does not extend to professions which do not consist of manual labor, such as land surveyor, dentist, hair-dresser, barber, etc.

Licenses are not required by farmers or growers for the sale or working off of their own crops, for raising or fattening cattle, for converting his fruit into wine, cider, or alcohol, for selling his own wood even when converted into charcoal or building material, but a farmer selling produce not raised by himself is subject to the tax.

Sellers or peddlers in the streets or public places of flowers, brooms, plaster figures, fruit, vegetables, fish, butter, eggs, cheese, or other comestibles are free of tax. Any peddler, however, selling other produce than above mentioned, and any dealer in an open stall, has to pay half the license of the seller in a shop. Dealers occupying stalls in open markets by the year pay the entire tax.

Partners under a collective firm name are each subject to a license, the principal partner only paying the whole of the fixed tax; the same amount of tax is then divided amongst the remaining partners of the collective firm and levied upon each of them. All the partners are taxable in each community where the firm has establishments.

The proportionate tax is levied upon the dwelling-house of the principal partner, upon the office, the dwelling occupied by the manager, and upon the localities generally where the hands and other employés live. The dwellings of the other partners are free of the proportional tax, unless they are used in the interest of the business of the firm.

Anonymous companies are taxed at the fixed rate according to the nature of the business; the proportional tax is governed by the ordinary rules.

Every one paying a license receives a certificate free of stamp duty, which is to be produced whenever a mayor, commissary of police, or any

other judiciary officer asks for it. Goods sold without a license can be seized and held at the expense of the seller until a license is obtained.

PRESTATION IN KIND.

Principles.—Every head of a family or establishment as proprietor, manager, or lessee inscribed on the roll of direct taxes can be called upon every year to render a service of three days, 1st, for himself and for every male member of his family of at least eighteen years of age and not more than sixty-five, living in the commune; 2d, for every cart or wagon and also for each beast of burden, draft, or saddle used for family or business purposes in the commune.

Such beasts are not taxable unless used for the specified purposes; the same with the carts and wagons.

Horses for public and not family purposes are free; so also horses for the gendarmery, tax collectors, engineers of public roads and bridges, or general police. Livery stables, omnibus, or postal contractors are taxable.

The prestation service is commutable into money according to a tariff and can be performed either in kind or by a money payment in the choice of the tax-payer; however, within four weeks after the tax roll is published this choice must be made; after that time the mayor of the commune has his choice.

DOG TAX.

By the law of May 2, 1855, each commune may levy a tax on dogs of not less than 1 or more than 10 francs a head.

Dogs are divided into 2 classes. The highest tax is paid by dogs of luxury or sport and the lowest such as may be used by blind persons, shepherd or watch dogs.

Between the 15th and 31st January, the mayor and assessors prepare the roll, and the tax dates from 1st January, unless on that date the dog was still a puppy nursed by the mother. Treble tax is levied from those failing to make the declaration, double if the declaration proves incomplete or inexact; if the offense is repeated the tax is quadrupled or trebled, respectively.

Tax must be paid for the entire year; if the owner dies during the year the unpaid proportion of tax is a charge upon the heirs.

INDIRECT TAXATION.

The most important of these taxes is the one on wines, cider, liquors, etc., and is regulated by the laws of 1816, 1841, and 1852.

(1) Whenever wine, cider, or liquor, etc., is removed from one house to another a circulation tax is charged.

(2) Only one single tax is to be levied for the transportation from one place to the declared destination at another, though there may be stoppage or a change in the mode of transportation.

Proper papers have to follow the transport; their production may be demanded by any of the proper authorities, and if inexact or fraudulent, not only the goods but also the horses, wagons, boats, etc., carrying the goods may be seized until the proper duty is paid.

In every city or community of 4,000 inhabitants or over an octroi may be levied for home consumption, and goods can only be delivered after such duty or octroi has been paid; the hours within which delivery can be made are regulated by law.

In case of infraction of the law the authorities have the same remedy as above stated; if the goods pass through a city bonds have to be given.

Dealers may bond their goods under regulations and in not less quantities than 9 hectoliters wine, 18 hectoliters apple or pear cider, 4 hectoliters brandy or spirits. They may be withdrawn *ad libitum* on payment of the octroi.

Contravention is punished by confiscation and a fine from 100 to 200 francs, and in aggravated cases from 1,000 francs to six months' prison, besides confiscation. Tax for selling liquor at retail is 15 per cent. on the retail price of wines, apple and pear cider, and hydromels; a list of prices charged has to be displayed in a conspicuous place on the premises. The mayor or prefect is called upon to settle disputes.

Keepers of bar-rooms, inns, restaurants, coffee-houses, boarding-houses, where wines and liquors are sold, must make an application for a license to the tax collector before commencing to sell, and are subject to visits of examination by the authorities.

These taxes may be commuted by a payment on the average sale, and then no price-list need be hung up.

Proprietors who want to sell their own produce in retail must state the quantity of such produce in their possession, but they can not sell any other produce than their own, and it must be done on their own premises, by themselves or those in their service.

General excise tax on spirits.—A tax equal to that levied upon bar-rooms is levied on the sale of any quantity of spirits, brandy, or any beverage containing such, sold to private persons.

Spirits, etc., sold for export are free from this tax.

Any wholesale dealer in brandy, spirits, or liquors pays the excise tax on whatever he takes out of bond.

Private persons pay no circulation tax or excise for moving their private cellars from one house of theirs to another.

Spirits put into wines are free from excise tax, but the operation must take place in presence of the officers of the régie.

Exemption from circulation tax is allowed only (1) for wines, apple, and pear cider moved from the producer's private or a public press to his cellar, or from one cellar to another, in the same or adjoining district (canton), whether in the same department or not; (2) for such beverage raised by a farmer and due to his landlord by virtue of his lease.

Any person growing, preparing, or manufacturing wines, ciders, etc., subject to octroi within the limits of a city, is obliged under penalties to make declaration within twelve hours before the proper authority, and to pay the tax if he does not possess the right of keeping them in bond.

The general tax for consumption on brandies, spirits, liquors, or brandied fruit entered into said cities or manufactured there is levied at the same time as the octroi, without prejudice to keepers of bonded warehouses.

The law of March 20, 1852, reduced the entry duty in communes having 4,000 inhabitants or over by one-half, as per table given.

Wines, ciders, etc., in quantities of not less than 25 liters, in wood or bottles, sent to consumers by wholesale dealers or growers, are subject to the circulation tax. Smaller quantities are paying the retail tariff.

The reduction allowed to producers for leakage on wine, cider, etc., in bonded cellars is 10 per cent., no matter how long in bond.

The tax for retail sale of wines, ciders, and hydromels is 15 per cent. on the selling price.

Spirits put into wines are free of such tax in the departments of the

Eastern Pyrenees, Aude, Tarn, Herault, Gard, mouths of the Rhone and Var, and must not exceed 5 liters spirits to the hectoliter of wine, and then the latter must not contain more than 18 per cent. alcohol; if they contain more than 18 per cent. and not over 21 per cent. they are taxed as wines and pay, besides double the tax of consumption, entry, and octroi on the excess of alcohol, between 18 and 21 per cent. Wines containing more than 21 per cent. spirits pay the same consumption, entry, and octroi tax as pure alcohol.

Only wines intended for export abroad or to the French colonies may, at the shipping port or point of leaving the country, receive an addition of spirits over and above the said maximum without tax, provided the mixing is done in the presence of the proper officers and the goods are immediately exported.

Tariff of entry tax on wines, apple and pear cider, hydromels, of March 20, 1852.

[Tax per hectoliter.]

Population of taxed communities, Paris excepted.	Wines in casks and bottles in the departments.				Cider and hydromels.
	First class.	Second class.	Third class.	Fourth class.	
Communes:	*Francs.*	*Francs*	*Francs.*	*Francs.*	*Francs.*
4,000 to 6,000	.30	.40	.50	.60	.25
6,000 to 10,000	.45	.60	.75	.90	.40
10,000 to 15,000	.60	.80	1.00	1.20	.50
15,000 to 20 000	.75	1.00	1.20	1.50	.65
20,000 to 30,000	.90	1.20	1.50	1.80	.75
30,000 to 50,000	1.05	1.40	1.75	2.10	.90
50,000 and over	1.20	1.60	2.00	2.40	1.00
Paris	.....	.....	8.00	.....	4.00

The financial law of the 26th July, 1860, raises the tax for consumption to 75 francs per hectoliter pure alcohol contained in brandy, spirits, or brandied fruit, and in Paris to 91 francs per hectoliter.

NOTICE TO TAX-PAYERS.

(1) The direct taxes become due every month, or the twelfth part of yearly tax.

(2) The proprietors or principal lessees of houses are bound to require their tenants or subtenants to produce their tax receipts a month before their moving away, else they become themselves responsible. If they refuse to produce them to the proprietor or principal lessee, they must immediately inform the tax collector and get from him an acknowledgment of the receipt of such notice.

(3) The tax-payers must present their notice to the tax collector at every payment of taxes.

(4) Every receipt, in order to be legal, must be cut out from the tax receiver's book, of which he keeps the stub; duplicates can only be given on ordinary paper.

(5) Claims for release or reduction of taxes must be presented within three months of the publication of the tax roll, and claims in consequence of unforeseen losses for release or reduction of taxes within fifteen days of such occurrence, and for restitution of taxes on total or partial vacation of houses or for closing of workshops, etc., within fifteen

days following the year or trimester of moving or closing. The above delays are obligatory.

(6) Reclamations not accompanied by the receipt for due term are not admitted.

(7) The order of release or reduction count for cash and free the tax-payer from the sum released or reduced. No sum can be demanded above the annual assessment.

[Extract from the law, August 4, 1844.]

Article 6. Every proprietor or usufructuary having several farmer tenants in the same commune and who wants them to pay, instead of himself, the ground tax on the land they farm or hire, must give the tax collector a declaration indicating summarily the division of his taxable revenue between himself and his farmers, which declaration must be signed by both parties. If their number is more than three this declaration is sent to the director of direct taxes, who prepares the repartition of the taxes and makes the auxiliary roll for each farmer's tax.

[Extract from the law, December 29, 1884.]

Article 4. In cases where, by wrong or double assessment, undue taxes have been assessed in the rolls of direct or assimilated taxes, the delay for reclamations expires only three months after the tax-payer had official notification of suit being instigated against him for improper assessments by the tax collector.

RECORDING OF LEASES.

Verbal leases must be recorded within three months of occupation. Written leases by "private signature" must be recorded within three months of the date of the act, unless the occupation took place before the signing of the lease, in which case the delay is calculated from the time of such occupation.

The tax is 25 centimes of every 100 francs, decimes included. Both tenant and proprietor are responsible for its payment. In default of recording or declaring the lease, an additional tax is due of not less than 62.50 francs, including decimes.

FRENCH REVENUES AND TAX SYSTEM.

Sources of public revenues.—Considering their origin they are divided into fiscal revenues, mixed revenues, and domainal revenues.

The fiscal revenues are subdivided into direct and indirect revenues.

Direct revenues, scientifically speaking, are called those, in all countries, which affect the tax-payer's more or less permanent condition, such as his existence, his profession, his property, his fortune, his residence, etc., distinct from indirect taxes applicable to facts or acts, such as the importation of a commodity, the consumption of an article, the making of a contract, etc.

Domainal revenues are such as the state, the department, or the commune derives (without taxation) from simply exploiting their property or from the exercise of certain special industries.

Mixed revenues are those which are both domainal and fiscal, such as the tobacco and other state monopolies.

Comparative proceeds of fiscal, mixed, and domainal revenues.

The budget of the old kings of France was in the beginning derived almost entirely from the domains or Crown lands. Gradually taxes were imposed, principally indirect taxes.

The budget for 1887 (not including special and exceptional taxes or revettas d'ordre) is estimated as follows:

	Estimate of taxes.	Proportional part.
Fiscal revenue:	*Francs.*	*Per cent.*
Direct taxes	440, 000, 000	15
Indirect taxes	1, 803, 000, 000	62
Mixed and domainal:		
Monopolies	580, 000, 000	20
Domainal and various	76, 000, 000	3
Total	2, 899, 000, 000	100

According to an English parliamentary inquiry of 1881, the respective proportions of domainal, fiscal, and mixed revenues in different European countries were then as follows:

Country.	Proportion of purely fiscal revenues.			Proportion of domainal to other taxes.
	Direct.	Indirect.	Total.	
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
France	15	74	89	11
Sweden	17	72	89	11
Italy	31	57	88	12
Denmark	20	67	87	13
Austria	22	64	86	14
Portugal	21	62	83	17
Russia	20	61	81	19
Hungary	40	38	78	22
Belgium	16	38	54	46

According to a compilation made by a French financial authority, Mr. de Kaufman, the purely fiscal revenues are estimated by him in—

Country.	Per cent.	Country.	Per cent.
Austria	94	Denmark	71
England	89	Hungary	67
Spain	88	Sweden	61
France	85	Portugal	58
Netherlands	82	Belgium	53
Switzerland	81	Norway	40
Russia	75	Prussia	37
Italy	72		

This divergence between the two above estimates only proves how difficult it is to make comparisons in the matter of budgets.

General organization of direct taxes.—On January 1,1887,there were in France 5,278 tax collectors. Direct and assimilated taxes can be paid in twelfths, or monthly.

The expenses for collecting the taxes amounted in 1828 to 5 per cent.; in 1876 to 3.5 per cent., and in 1884 to 3.7 per cent.

The following table shows the amount of yearly direct taxes, including the additional centimes:

Year.	Part of state.	Part of local budget.	Total.	Year.	Part of state.	Part of local budget.	Total.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820.....	300,000,000	69,000,000	369,000,000	1870.....	345,000,000	249,000,000	585,000,000
1830.....	250,000,000	80,000,000	330,000,000	1875.....	396,000,000	287,000,000	683,000,000
1840.....	295,000,000	100,000,000	395,000,000	1880.....	488,000,000	318,000,000	706,000,000
1850.....	301,000,000	131,000,000	432,000,000	1885.....	405,000,000	350,000,000	755,000,000
1860.....	304,000,000	176,000,000	480,000,000	1887*.....	403,000,000	364,000,000	767,000,000

*Estimated.

To the 767,000,000 produced by direct taxation have to be added about 29,000,000 of assimilated taxes (described hereafter), of which Algeria furnishes about 14,000,000, making 810,000,000 in all.

The dog tax, being also a direct tax, is not included, being levied by the communes.

The four direct taxes, viz, real estate, personal and mobiliary, door, and windows, and licenses (Patentes), bring a revenue as follows:

	Part of state.	Part local budget.	Total.
	Francs.	*Francs.*	*Francs.*
Real estate.....	180,000,000	197,000,000	377,000,000
Personal and mobiliary.....	71,000,000	66,000,000	137,000,000
Doors and windows.....	47,000,000	32,000,000	79,000,000
License (Patents).....	105,000,000	69,000,000	174,000,000
	403,000,000	364,000,000	767,000,000

Real-estate tax is laid in principle upon the net taxable revenue of improved and unimproved (baties et non baties) estates.

This is a tax of repartition, viz, legislation fixes the sum required to be levied, and this amount is then apportioned to the departments, arrondissements, and communes, each commune partitioning the tax to be levied amongst the property-owners of houses and lands.

Great complaints exist regarding the inequality of taxation, running for instance from 2.5 per cent. of the annual revenue in the department of Haute Savoy and Aude, to 7.2 in the department of Hautes Alpes, with glaring examples of 29.6 per cent. on the property of Montussau (Gironde) to .47 on the celebrated Mont Mishel (department de la Manche)

Personal and mobiliary tax—In 1885 there were 1,766,260 payers of personal tax, 235,063 of mobiliary tax only, and 6,462,935 paying both personal and mobiliary tax.

Cities having an octroi may claim an authorization to add to it a part of their quota of personal and mobiliary tax, in order to be able to exempt rents below a certain amount.

This is always done in Paris, where rents marked less than 400 francs (or really 500 francs) are exempt, adding from 7½ to 11½ per cent. to all rents taxable above 600, 700, 800, 900, 1,000 francs, which amounts represent four-fifths of the actual rent.

The following table gives the progressive taxation:

Year.	Part of state.	Local budget.	Total.	Year.	Part of state.	Local budget.	Total.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820.....	37, 000, 000	9, 000, 000	46, 000, 000	1870.....	54, 000, 000	39, 000, 000	93, 000, 000
1830.....	31, 000, 000	10, 000, 000	41, 000, 000	1875	57, 000, 000	48, 000, 000	105, 000, 000
1840	41, 000, 000	16, 000, 000	57, 000, 000	1880.....	63, 000, 000	53, 000, 000	116, 000, 000
1850.	41, 000, 000	21, 000, 000	62, 000, 000	1884	68, 000, 000	60, 000, 000	128, 000, 000
1860.....	44, 000, 000	27, 000, 000	71, 000, 000	1887.....	71, 000, 000	66, 000, 000	137, 000, 000

Door and window tax originated by law 4 Frimaire, year VII, in imitation of the English window tax, and is regulated both according to the number of openings and to the population of the respective communes.

Including the additional centimes the proceeds of this tax were as follows:

Year.	Part of state.	Local budget.	Total.	Year.	Part of state.	Local budget.	Total.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820.	20, 000, 000	1, 000, 000	21, 000, 000	1870.....	39, 000, 000	18, 000, 000	57, 000, 000
1830.....	15, 000, 000	1, 000, 000	16, 000, 000	1875.....	40, 000, 000	24, 000, 000	64, 000, 000
1840.....	26, 000, 000	5, 000, 000	31, 000, 000	1880.....	43, 000, 000	27, 000, 000	70, 000, 000
1850.....	29, 000, 000	7, 000, 000	36, 000, 000	1884.....	46, 000, 000	30, 000, 000	76, 000, 000
1860.....	33, 000, 000	11, 000, 000	44, 000, 000	1887.....	47, 000, 000	32, 000, 000	79, 000, 000

License tax, or "Patentes," was originated in 1791, and replaced the taxes of "Maitrises and Jurandes," imposed by guilds and tradesmens' companies, and is a tax of quota levied upon merchants, tradesmen, manufacturers, etc.

The precent license tax is regulated by the law of the 16th of July, 1880, not in accord with the estimated profits of such tax-payers, but according to the nature and importance of the business, the rentable value of their business premises, machinery, number of employés, etc.

Including the general additional centimes and those levied by the departments and communes, the amount of the license (Patentes) tax has been—

Year.	Part of state.	Local budget.	Total.	Year.	Part of state.	Local budget.	Total.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820.....	19, 000, 000	3, 000, 000	22, 000, 000	1870.....	70, 000, 000	42, 000, 000	112, 000, 000
1840	24, 000, 000	4, 000, 000	28, 000, 000	1875.....	115, 000, 000	62, 000, 000	177, 000, 000
1840	31, 000, 000	9, 000, 000	40, 000, 000	*1880	104, 000, 000	61, 000, 000	165, 000, 000
1850.....	34, 000, 000	14, 000, 000	48, 000, 000	1884.....	106, 000, 000	64, 000 000	170, 000, 000
1860.....	54, 000, 000	26, 000, 000	80, 000, 000	1887*.....	105, 000, 000	69, 000, 000	174, 000, 000

* Estimated.

The average tax for license was, in—	Francs.
1860	35
1870	44
1884	47
Average patent or license tax, 1885, of—	
Table A (ordinary merchants and mechanics)	36
Table B (high commerce)	442
Table C (industrials and manufacturers)	87
Table D (liberal professions)	54

These tables are appended.

It is estimated by the financial administration that the patent or license tax represents about 3 per cent. of the patentee's profits.

Taxes assimilated to direct taxation.

[Estimates in the budget for 1887.]

	Part of state.	Local budget.	Total.
	Francs.	*Francs.*	*Francs.*
Mortmain estates	6,400,000	.....	6,400,000
Royalties and rents on mines	2,800,000	.....	2,800,000
Horses and carriages	11,100,000	1,200,000	12,300,000
Billiards	1,200,000	.....	1,200,000
Clubs	1,500,000	.....	1,500,000
Weights and measures	4,900,000	.....	4,900,000
Total	27,900,000	1,200,000	29,100,000

The tax on mines is twofold, 10 centimes per hectare superficial area and 5 per cent. of the net produce. It was paid in 1885 by 501 mines being worked (551,000 hectares),and by 79 not worked (26,400 hectares).

The tax on horses and carriages was re-established in 1871, and modified July 23, 1872, and December 22, 1879.

Horses and vehicles exclusively for professional use are free, and half the tax only is levied if they are habitually employed for agricultural pursuits or for a licensed profession.

It varies according to the population of the commune from 60 to 10 francs for a vehicle or wagon of four wheels, from 40 to 5 francs for a vehicle or cart with two wheels, and from 25 to 5 francs for a horse and a mule.

The law of the 28th of July, 1872, leaves to the commune only the twentieth part of the revenue of such tax. In the tax-list of 1885 figured 318,500 vehicles of four wheels, 877,000 vehicles of two wheels, and 1,008,000 animals, horses, and mules.

The tax on billiards is 60 francs in Paris, and varies elsewhere from 6 to 30 francs, according to the population. The number of billiards taxed in 1885 was 93,514.

The tax on clubs is the fifth part of the annual dues. The number of members enrolled in 1885 was 258,000, and the taxable dues amounted to 7,000,000 francs.

INDIRECT TAXES.

General organization.—Three great divisions in the administration of finances are occupied with the assessment and collection of indirect taxes, viz., the general direction of the registration or enrollment of the stamp tax and domainal revenues; the general direction of the customs, and the general direction of indirect taxes, part of which is the tobacco régie and the manufacture of powder. Since 1871 great reductions have been made in the expense of collecting these taxes, as shown by the following table published in 1884 by the minister of the treasury:

Percentage of the collection expenses.

	1828.	1876.	1884.
Registration stamp and domains	5.4	2.5	2.2
Customs and salt	16.2	10.2	7.7
Indirect taxes, properly speaking	14.9	3.7	4.0

These indirect taxes form at present the principal revenue of the state, they figure in the budget for 1887 at 1,803,000,000 francs, composed as follows:

	France.	Algiers.	Total.
	Francs.	*Francs.*	*Francs.*
Tax 3 per cent. on revenue personal estate	46, 000, 000		46, 000, 000
Registration tax	520, 000, 000	4, 000, 000	524, 000, 000
Stamp tax	155, 000, 000	4, 000, 000	159, 000, 000
Customs (excluding sugar)	321, 000, 000	9, 000, 000	330, 000, 000
Indirect taxes (excluding sugar)	574, 000, 000	2, 000, 000	576, 000, 000
Sugar	168, 000, 000		168, 000, 000
Total	1, 784, 000, 000	19, 000, 000	1, 803, 000, 000

These taxes are exclusively applicable to the expenses of the state, and there are no additional centimes levied upon them, as in the case of direct taxes.

The communes may have such further indirect taxation as they think proper, such as their octroi duties, of which, however, more hereafter.

Tax of 3 per cent. on the revenue of personal estate or valeurs personnelles.—Properly speaking this tax ought to be classed amongst the direct taxes, but its collection being made by the administration of the stamp and registering tax, and being included in the various revenues, it is classed as an indirect import.

The tax consists of a preliminary levying of 3 per cent. on the annual income (interest, dividends, etc.) of personal property, such as French or foreign securities, shares, bonds, issued by departments, communes, industrial establishments, etc., independently of the stamp or transfer tax, but does not affect the bonds of the state (or rentes) or similar securities, nor associations of partnerships in a collective name, nor private obligations, mortgage or other. Religious societies are taxed 5 per cent. on the income of their capital, mobiliary and real estate.

The following table shows the income from the beginning of this tax of 3 per cent. on the revenue:

Year.	Amount.	Year.	Amount.
	Francs.		*Francs.*
1872	6, 000, 000	1879	36, 400, 000
1873	31, 700, 000	1880	39, 100, 000
1874	34, 200, 000	1881	44, 500, 000
1875	34, 700, 000	1882	47, 900, 000
1876	35, 000, 000	1883	48, 000, 000
1877	34, 100, 000	1884	46, 800, 000
1878	34, 300. 000	1885	45, 900, 000

In 1886 the tax gave 47,200,000 francs; the capital thus represented by this tax on the revenue thereof amounted to 1,500,000,000 of francs.

In 1883 it is estimated the tax was levied on 1,468,000,000 French securities:

French securities:	
Shares	709, 000, 000
Bonds (obligations)	685, 000, 000
Special partnerships	74, 000, 000
Total	1, 468, 000, 000
Foreign securities:	
Shares	63, 000, 000
Bonds	61, 000, 000
Properties situated in France	7, 000, 000
Total	131, 000, 000

Registration and stamp tax is a tax on business in the largest sense of the word, and attaches to a great number of arts which by law have to be recorded in the public register.

The stamp is a particular mark impressed or pasted on certain papers.

The recording or registering tax is of three descriptions—proportional, fixed, and graduated.

The fixed tax applies to acts civil, judiciary, or extrajudiciary, involving no money obligation, discharges of debts, releases, judgments, liquidation, or collocation of sums or securities, transfer of property or its enjoyment.

Proportional tax attaches to the sale or donation of real, and in some cases of personal, property, mutation by death, leases, adjudications and contracts, monetary obligations, bills of exchange, promissory notes, opening of credits and policies of insurance, discharges and releases, judgments involving money, transfers of securities of companies, departments, communes, etc., French or foreign.

The graduated tax devolves upon the formation or prolongation of companies, upon marriage contracts, partitions of property, deliveries of inheritances, releases of mortgages, etc., which, though not carrying with them actual conveyance of property, could not well be made subject to the proportional tax and yet are not considered taxed sufficiently by the fixed tax. To the registration tax is further to be added the tax of the clerk of the court and the mortgage tax (tax of transcription and inscription at the mortgage office).

The stamp tax is divided into the fixed and proportional tax, as set forth on the respective sheet. The fixed special tax applies to ships, bills of lading, receipts of railroads, to bill receipts, trade-marks, passports, shooting permits, and bill-posters' stamps. The proportional tax attaches to bills of exchange, promissory notes, shares, obligations, and other French or foreign securities, except governments, commonly called French rentes.

The revenue derived from these taxes amounted to—

Year.	Registering tax.	Stamp tax.	Total.	Year.	Registering tax.	Stamp tax.	Total.
	Francs	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820....	127, 000, 000	26, 000, 000	153, 000, 000	1870...	291, 000, 000	75, 000, 000	366, 000, 000
1830....	153, 000, 000	28, 000, 000	181, 000, 000	1875...	453, 000, 000	154, 000, 000	607, 000, 000
1840....	194, 000, 000	35, 000, 000	229, 000. 000	1880...	550, 000, 000	147, 000, 000	697, 000, 000
1850....	208, 000, 000	40, 000, 000	248, 000, 000	1885...	520, 000, 000	155, 000, 000	675, 000, 000
1860....	306, 000, 000	56, 000, 000	362, 000, 000	1886...	518, 000, 000	156, 000, 000	674, 000, 000

In 1886 this revenue was composed of the following items:

Registering tax, including the additional centimes:

	Francs.
Transmission between the living by sale	157, 000, 000
Transmission between the living by donation	23, 000, 000
Mutations by death	177, 000, 000
Leases and mortgages	8, 000, 000
Adjudications and contracts, obligations, bail guaranties, and leases.	44, 000, 000
Judgments, collocations, (obligations), liquidations	4, 000, 000
Fixed taxes	37, 000, 000
Graduated taxes	11, 000, 000
Additional taxes and one-half taxes, fines	5, 000, 000
Fees clerk of the court, and mortgages	14, 000, 000
Transfer of securities of companies	37, 000, 000
Various taxes	1. 000, 000
Total	518, 000, 000

Proceeds of stamp-tax and additional centimes:

Stamps sold	55,500,000
Special stamps (bills of lading and posters)	2,500,000
Extraordinary stamps and visés (shares, bonds, and policies)	24,500,000
Shooting permits	7,000,000
Proportional stamps	11,000,000
Proportional special bill receipts, cheques, etc	14,500,000
Proportional foreign government securities and obligations of crédit foncier	4,000,000
Policies of insurance	3,500,000
Special stamps for railroad bills, lading, and receipts	33,500,000
Total	156,000,000

Customs duties have been remodeled by law May 7, 1881, some of them dating back to 1791. The only duties modified since 1881 are those on sugar, farm animals, and breadstuffs. There is, however, a conventional tariff besides the general, which grants more favorable conditions to countries with which France has treaties of commerce.

There are specific and ad valorem duties, and fiscal and protective duties. Purely fiscal duties are levied upon commodities not produced in France, or for revenue simply, such as on coffee 156 francs per 100 kilograms, tea 208 francs per 100 kilograms, vanilla 416 francs per 100 kilograms.

Protective duties are such as on wheat 5 francs per 100 kilograms, 8 francs on flour, 6 francs on iron and steel in bars or rails, raising the price about 60 per cent.

A law of January 22, 1872, established a tax of statistics of 10 centimes on every package of merchandise, head of cattle, or any other unity of import or export.

The sugar tax is divided into a direct import tax and one of internal revenue; the former is levied by the custom-house.

The following table gives the customs revenue:

Year.	Imports and exports, including sugar.	Navigation and statistics.	Salt import.	Total.
	Francs.	*Francs.*	*Francs.*	*Francs.*
1809	24,000,000	6,000,000	.....	30,000,000
1810	62,000,000	8,000,000	48,000,000	118,000,000
1820	74,000,000	5,000,000	53,000,000	132,000,000
1830	99,000,900	6,000,000	51,000,000	156,000,000
1840	116,000,000	6,000,000	56,000,000	178,500,000
1850	127,000,000	6,000,000	21,000,000	154,000,000
1860	134,000,000	7,000,000	30,000,000	171,000,000
1870	128,009,000	2,000,000	24,000,000	154,000,000
1875	229,000,000	14,000,000	25,000,000	268,000,000
1880	332,000,600	17,000,000	18,000,000	367,000,000
1885	369,000,000	18,000,000	23,000,000	410,000,000
1886	333,000,000	19,000,000	23,000,000	*375,000,000

*In the latter sum of 375,000,000 francs, the duties levied in Algeria of 10,000,000 are included.

The articles which have principally paid these import duties were as follows:

	1880.	1885.		1880.	1885.
	Francs.	*Francs.*		*Francs.*	*Francs.*
Coffee	90,000,000	107,000,000	Cocoa	11,000,000	13,000,000
Foreign and colonial sugar	87,000,000	100,000,000	Coal and coke	11,000,000	12,000,000
Petroleum and schist	21,000,000	27,000,000	Breadstuffs	12,000,000	11,000,000
Wines	25,000,000	16,000,000	Cotton goods	9,000,000	9,000,000
			Worsted goods	8,000,000	9,000,000

Sugar.—The law of July 19, 1880, reduced the tax in France to 40 francs per 100 kilograms pure sugar. The law of July 14, 1884, raised it theoretically to 50 francs, but giving the manufacturers the choice of two ways of paying the duty. Those who continue to pay on the quantity of pure sugar actually produced enjoy a drawback of 8 per cent., which reduces the tax for them to 46 francs until August, 1887, included.

Others pay the tax not on the weight of the sugar produced, but on the weight of the beets used at the rate of 3 francs per 100 kilograms if by the improved process of diffusion, and at the rate of 2½ francs only if they still use presses.

This inequality will disappear on the 1st of September next; then the tax will be 3¼ francs for all "compounding" (abonné's) manufacturers, which tax will be gradually raised to 3½ francs by the 1st September, 1890.

At the actual rate the tax will only amount to 50 francs per 100 kilograms sugar if the beets, treated by the diffusion process, give only 6 pounds of sugar of 100 pounds of beets used; but by choosing rich beets much above 6 per cent. of sugar may be obtained, and the theoretrical or nominal tax of 50 francs has been really reduced since 1884–'85 by 11 francs, and in 1885–'86 by 13 francs per 100 kilograms.

Finally, beet-root and foreign cane sugar pay an additional tax of 7 francs (raised 3 francs by the law of 1884), and on French colonial sugar, imported direct from the colony, a rebate (dechet de fabrication) is allowed of 12 per cent.

These combined reforms have necessarily diminished the duties very materially (in the interior), as seen by the following table:

Year.	Duty on colonial and foreign sugar.	Taxes on home-made.	Total, deducting export rebate.	Year.	Duty on colonial and foreign sugar.	Taxes on home-made.	Total, deducting export rebate.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820	26, 000, 000	.....	26, 000, 000	1880	88. 000, 000	91, 000, 000	179. 000, 000
1830	34. 000, 000	.....	24, 000, 000	1881	60, 000, 000	75, 000, 000	136. 000, 000
1840	33, 000, 000	5, 000, 000	38, 000, 000	1882	65, 000. 000	82, 000, 000	148, 000, 000
1850	42, 000, 000	31, 000, 000	57, 000, 000	1883	54. 000, 000	93, 000, 000	148, 000, 000
1860	54, 000, 000	38, 000, 000	59, 000, 000	1884	69, 000, 000	101, 000, 000	170, 000, 000
1870	48, 000, 000	55, 000, 000	103, 000, 000	1885	100, 000, 000	70, 000. 000	170. 000, 000
1875	62, 000, 000	119, 000, 000	181, 000, 000	1886	47, 000, 000	91, 000, 000	138, 000, 000

A ministerial project exists at present to increase the tax again 20 per cent. to retrieve the recent loss.

The consumption of sugar in France amounted to—

Year.	Kilograms.	Tons.
1825	50, 000, 000	50, 000
1840	100, 000, 000	100, 000
1860	200, 000, 000	200, 000

During the last few years the consumption has been 350,000,000 kilograms (350,000 tons) or about 10.30 American pounds per head.

Salt.—The successive tax on salt has been:

Year.	Import duty.	Internal revenue.	Total.	Year.	Import duty.	Internal revenue.	Total.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1810	48,000,000	6,000,000	54,000,000	1870	24,000,000	7,000,000	31,000,000
1820	53,000,000	6,000,000	59,000,000	1875	25,000,000	10,000,000	35,000,000
1830	51,000,000	7,000,000	58,000,000	1880	18,000,000	14,000,000	31,000,000
1840	57,000,000	8,000,000	65,000,000	1885	23,000,000	9,000,000	32,000,000
1850	21,000,000	5,000,000	26,000,000	1886	23,000,000	9,000,000	32,000,000
1860	30,000,000	10,000,000	40,000,000				

Certain exemptions or rebates have been allowed for salt used for agricultural purposes and for (agricultural) pursuits industrial, such as used for salting of meats and fish and for the manufacture of soda.

The administration of indirect taxes is also charged with the exploitation of the three monopolies, with the collection of the internal revenue or excise tax on alcoholic beverages, on vinegar, oil, and candles, the transport by railroads and public vehicles, with the assay guaranty of gold and silver ware, as well as the tax on playing-cards. A large number of manufacturers, thus subject to a state control, have to pay a license or supplementary patent tax, which might be classed among the direct taxes if the mode of levying them were different.

The following table shows the total of all indirect taxes:

Year.	Sugar and salt customs extra.	Excise beverages.	Monopolies, tobacco, powder, and matches.	Total.
	Francs.	*Francs.*	*Francs.*	*Francs.*
1801	.....	1,000,000	1,000,000	2,000,000
1810	7,000,000	117,000,000	21,000,000	145,000,000
1820	6,000,000	121,000,000	68,000,000	195,000,000
1830	7,000,000	124,000,000	71,000,000	202,000,000
1840	13,000,000	124,000,000	101,000,000	238,000,000
1850	36,000,000	143,000,000	128,000,000	307,000,000
1860	47,000,000	233,000,000	203,000,000	483,000,000
1870	62,000,000	276,000,000	254,000,000	592,000,000
1875	130,000,000	585,000,000	343,000,000	1,058,000,000
1880	105,000,000	601,000,000	373,000,000	1,079,000,000
1881	88,000,000	581,000,000	385,000,000	1,054,000,000
1882	94,000,000	576,000,000	393,000,000	1,063,000,000
1883	105,000,000	593,000,000	402,000,000	1,100,000,000
1884	112,000,000	596,000,000	407,000,000	1,115,000,000
1885	79,000,000	581,000,000	405,000,000	1,068,000,000
1886	100,000,000	570,000,000	401,000,000	1,071,000,000

These taxes of 1,068,000,000 in 1885 were composed of—

	Francs.
Sugar (not included in custom duties)	91,000,000
Salt	9,000,000
Wines, cider, beer, alcohol (licenses not included)	413,000,000
Oil	3,000,000
Vinegar	3,000,000
Candles and stearine	9,000,000
Paper tax (the last year of its existence)	9,000,000
Railroad express trains	87,000,000
Public conveyances	5,000,000
Licenses, guaranties, and playing-cards	40,000,000
Tobacco	369,000,000
Powder and dynamite	13,000,000
Matches	17,000,000
Total	1,068,000,000

The amount of taxes levied by the state on alcoholic liquors, wines, cider, beer, license tax included—

Year.	Alcohol.	Wine and cider.	Beer.	Licenses.	Total.
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*
1830	20,000,000	70,000,000	8,000,000	5,000,000	103,000,000
1840	22,000,000	58,000,000	10,000,000	6,000,000	96,000,000
1850	24,000,000	67,000,000	9,000,000	8,000,000	108,000,000
1860	64,000,000	97,000,000	15,000,000	8,000,000	184,000,000
1870	84,000,000	120,000,000	15,000,000	8,000,000	227,000,000
1875	171,000,000	189,000,000	21,000,000	16,000,000	397,000,000
1880	196,000,000	201,000,000	20,000,000	16,000,000	433,000,000
1885	241,000,000	149,000,000	22,000,000	17,000,000	429,000,000
1886	237,000,000	147,000,000	22,000,000	17,000,000	423,000,000

Spirits, alcohol, liquors, etc., pay (1) in all France a uniform tax of consumption; (2) in cities over 4,000,000 souls an entry tax (tax d' entrée) graduated according to the population.

The rate of the consumption tax has varied very much. It was, before 1830, 50 francs per hectoliters pure spirit; from 1830 to 1855, 34; 1855 to 1860, 50; 1860 to 1871, 75; 1873, 125, and with the décimes 156.25 francs per hectoliter.

The tax of entry is from 7½ to 30 francs per hectoliter pure alcohol; thus in Paris with the city octroi 266.05 francs; in Lyons 217.25 francs, etc., per hectoliter.

In 1884 the general tax of consumption was levied on 1,498,000 hectoliters pure alcohol, subdivided into—

Brandy (27,000 in bottles)	965,000
Kirsch and rhum	119,000
Bitters	34,000
Absinthe	50,000
Liqueurs	73,000
Brandy fruits	70,000
Perfumed spirits	2,000

These 1,498,000 hectoliters alcohol were further divided—

	Communes less than 4,000.	Cities of 4,000 to 10,000.	Cities over 10,000.	Total.
Retailed elsewhere than Paris	749,000	125,000	314,000	1,188,000
Consumed elsewhere than Paris	96,000	16,000	41,000	*153,000
In Paris			148,000	148,000
	845,000	141,000	503,000	1,489,000

*The figure of 153,000 represents private consumers outside of Paris buying from wholesale dealers.

In 1884 the taxes on wine and cider were—

	Wine.	Cider.	Total.
	Francs.	*Francs.*	*Francs.*
Tax of circulation	25.7	2.5	28.2
Tax of entry	1.7	0.5	2.2
Tax of retailing	39.5	7.1	46.6
Tax unique	28.9	3.5	32.4
Tax Paris and Lyons	42.7	1.4	44.1
	138.5	15.0	153.5

Beer is taxed uniformly with 3.75 francs per hectoliters on strong beer, and 1.25 francs on light beer. In Paris the octroi on beer is 15 francs per hectoliter.

Vinegar, oil, candles.—Vinegar and acetic acids, according to law of July 17, 1874, pay a tax of consumption varying, according to the proportion of acetic acid, from 5 to 52½ francs per hectoliter of vinegar, and 62½ francs per 100 kilograms crystallized acetic acid.

Mineral oil pays a tax on the manufacturing varying, according to its more or less purity and density, from 10 to 44½ francs per 100 kilograms; the total tax amount is insignificant.

A tax of 30 francs per 100 kilograms has been laid on candles and wax by law of December 30, 1873.

The proceeds of these three taxes were (in francs) as follows:

Year.	Vinegar.	Oil not mineral.	Candles.	Year.	Vinegar.	Oil not mineral.	Candles.
1875	1, 100. 000	5, 800, 000	6, 500, 000	1885	2, 700, 000	2, 800, 000	8, 800, 000
1880	2, 400, 000	3, 400, 000	7, 900, 000	1886	2, 900, 000	2, 600, 000	8, 700, 000

Railways and public conveyances.—The law of 1871 brought the tax on railways up to 23.2 per cent. of their net receipts, or twenty-nine one hundred and fifty-fourths of their gross receipts on trains at express speed, and the law of March 2, 1874, repealed the tax of 5 per cent. on slow trains.

Stages and water transport by regular carriers pay 22½ per cent. of their net or nine forty-ninths of their gross receipts on fares over one-half franc, and 12 per cent. of the net or three twenty-eighths of their gross receipts on fares below one-half franc.

Public conveyances by land and water running only occasionally, and at a speed they please, pay a fixed tax of from 50 to 137½ francs for vehicles of from 1 to 6 seats, with a supplementary tax of 12½, 6¼, and 3.12½ francs for each additional seat, according as there may be from 6 to 50 places in vehicles, and from 50 to 150 and above on boats.

The following table gives the tax (in francs) levied upon railways, express and ordinary speed, and upon public conveyances:

Year.	Railways.		Public conveyances, land and water.	Year	Railways.		Public conveyances, land and water.
	Express.	Ordinary.			Express.	Ordinary.	
1840	.....	.....	8, 000, 000	1875	24, 000, 000	25, 000, 000	6, 000, 000
1850	2, 000, 000	.....	7, 000, 000	1880	71, 000, 000	25, 000, 000	4, 000, 000
1860	20, 000, 000	.....	6, 000, 000	1885	85, 000, 000	25, 000, 000	5, 000, 000
1870	24, 000, 000	.....	5, 000, 000	1886	87, 000, 000	25, 000, 000	5, 000, 000

The paper tax, now abolished, produced (in francs)—

Year.	Tax on manufacturers.	Surtax on newspapers.	Total.	Year.	Tax on manufacturers.	Surtax on newspapers.	Total.
1872	8, 600, 000	2, 000, 000	10, 600, 000	1885	14, 100, 000	3, 900, 000	14, 100, 000
1875	10, 000, 000	2, 300, 000	12, 300, 000	1886	9, 000, 000	3, 900, 000	9, 000, 000
1880	12, 500, 000	3, 900, 000	16, 400, 000				

Assay guaranty.—The stamp obligatory on all gold and silver ware costs 37½ francs per hectogram on gold, and 2 francs on silver. It amounted in 1885 to 5,000,000 francs on 74,500 kilograms of silver and 9,400 kilograms gold. There were, in 1884, 1,784 manufacturers of jewelry, 465 manufacturers of watches, and 13,987 gold and silver smiths.

Playing-cards, by law of the third Pluviôse, year VI, pay .625 franc per pack with French and .875 franc with foreign faces, and the tax amounted in 1885 to nearly 2,500,000 francs for 3,751,000 packs French and 68,930 foreign faces.

License, which tax existed already before 1789, under the name of "annual tax," is a sort of supplementary patent tax on industries placed under Government supervision.

The present tariff is—

Kind of license.	Yearly amount of tax, décimes included.	Kind of license.	Yearly amount of tax, décimes included.
Retailers of beverage and oil, established in communes of—	*Francs.*	Brewers, according to the departments	*Francs.* 75 to 125
Less than 4,000 souls	15	Brewers and distillers of profession	25
4,000 to 6,000 souls	20	Wholesale liquor dealers	125
6,000 to 10,000 souls	25	Manfacturers of—	
10,000 to 15,000 souls	30	Playing-cards	125
15,000 to 20,000 souls	35	Saltpeter	25
20,000 to 30,000 souls	40	Sugar or glucose	125
30,000 to 50,000 souls	45	Paper	25
over 50,000	50	Candles and stearine	25
Paris	Free.	Vinegar and acetic acid	12½
Peddlers of beverages on back of animals	15	Public conveyances, regular service	6¼ to 2½
Peddlers of beverages on carts and vehicles	125		

In 1885 the administration counted 552,000 establishments subject to state control; 531,000 boilers of the crude of 1,792,000 proprietors making wine, and 1,035,000 making cider.

These licenses produced (in francs)—

Year.	Amount.	Year.	Amount.	Year.	Amount.	Year.	Amount.
1810	1, 200, 000	1840	3, 200, 000	1870	5, 400, 000	1880	11, 200, 000
1820	3, 100, 000	1850	4, 000, 000	1875	11, 100, 000	1885	12, 800, 000
1830	3, 200, 000	1860	4, 400, 000				

MIXED AND DOMAINAL REVENUES.

Mixed are derived from the exploiting of monopolies, or from industries not exactly monopolized but worked by the state.

Monopolies of the state are the manufacture of tobacco, powder, and matches; the postal and telegraphic service; the coining of money, and medal department. The Government also attends to business not covered by a monopoly, such as the forwarding of money and newspapers, equally performed by railroads and express companies.

State industries, outside of a monopoly, are such as, since 1878, the working of some state railways, also of establishments of instruction and learning, of the manufacture of objects of art, like Sèvres china and Gobelin's tapestry, of the publication of newspapers, books, charts, also of banking and insurance operations, etc.

The receipts given in the budget for 1887 (in francs), under the head

of proceeds of monopolies and industrial state establishments, are (1) those derived from tobacco, powder, and matches, and (2) post and telegraphs.

Year.	Gross proceeds.		Total.	Year.	Gross proceeds.		Total.
	Tobacco, powder, and matches.	Postal telegraph.			Tobacco, powder, and matches.	Postal telegraph.	
1810.....	21, 000, 000	25, 000, 000	46, 000, 000	1869.....	268, 000, 000	106, 000, 000	374, 000, 000
1820.....	68, 000, 000	23, 000, 000	91, 000, 000	1875.....	326, 000, 000	137, 000, 000	463, 000, 000
1830.....	71, 000, 000	34, 000, 000	105, 000, 000	1880.....	343, 000, 000	138, 000, 000	478, 000, 000
1840.....	101, 000, 000	46, 000, 000	147, 000, 000	1885.....	405, 000, 000	167, 000, 000	572, 000, 000
1850.....	128, 000, 000	44, 000, 000	172, 000, 000	1886.....	399, 000, 000	169, 000, 000	568, 000, 000
1860.....	203, 000, 000	68, 000, 000	271, 000, 000				

The tobacco monopoly is by far the most important and comprises the manufacture and sale of tobacco. The cultivation of tobacco without being monopolized is by no means free, and permitted only in the following departments: Alpes Maritimes, Bouches-du-Rhône, Dordogne Gironde, Ille-et-Vilaine, Landes, Lot, Lot-et-Garonne, Meurthe-et-Moselle, Nord, Pas-de-Calais, Hautes-Pyrénées, Haute-Savoie, Savoie, Haute Saône, and Var.

The administration of the State manufactories watches with great care over the growing of tobacco, regulated by the law of December 21, 1862. The leaves can only be sold to the administration, and at prices fixed beforehand by the Government, or they must be exported. The State factories can only use one-fifth of foreign or imported tobacco.

There are at present 19 tobacco manufactories in France, viz, two at Paris (Gros Caillon and Reuilly), one in Bordeaux, Chateau roux, Dieppe, Dijon, Havre, Lille, Le Mans, Lyon, Marseille, Morlaix, Nancy, Nantes, Nice, Pantin, Riom, Conneins, and Toulouse.

Tobacco is sold in warehouses and in retail shops. There are two kinds of the latter. Collectors, who combine the sale of tobacco with the control of beverages, and the simple retailers, who are appointed by favor of the prefects and of the minister of finance, who disposes of those worth more than 1,000 francs, generally allotted to widows of officers or of civil dignitaries.

There were, in 1884, 29,197 simple retailers and 14,083 receiving collectors, or, in all, 43,280. Tobacco and cigars are sold by the Government at certain prices to retailers, who again must re-sell at prices fixed by the Government.

Since 1872 ordinary smoking tobacco, snuff or chewing, is sold to retailers at 11½ francs per kilogram, and to consumers at 12½ francs. For certain superior qualities prices rise to 15 francs to retailers and 16 francs to consumers. Tobacco is sold at reduced prices to hospitals, 4.40 and 5 francs, and to soldiers and sailors 1.30 and 1.50 francs. Near the Belgian frontier there are three zones of prices, graduated so as to make smuggling less attractive.

Prices of cigars at retail run from 5 centimes (1 cent) to 60 centimes (12 cents), and the profit of the retailer varies from six-tenths centime to 4 centimes per cigar. A package of twenty cigarettes costs the consumer from 20 centimes to 2 francs, and the retailer makes from 1.10 to 8 francs per thousand.

Bureaus of direct sale sell to the consumer by the box up to 5 francs per piece, and cigarettes up to 2½ francs per package of twenty.

Proceeds of the tobacco monopoly from 1815 *to* 1884.

Year.	Gross receipts.	Expenses.	Net receipts.	Year.	Gross receipts.	Expenses.	Net receipts.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1815	53, 500, 000	13, 400, 000	40, 500, 000	1860	195, 300, 000	58, 200, 000	137, 100, 000
1820	64, 200, 000	25, 200, 000	39, 000, 000	1869	255, 700, 000	53, 200, 000	202, 500, 000
1830	67, 300, 000	22, 500, 000	44, 700, 000	1875	313, 600, 000	57, 600, 000	255, 000, 000
1840	95, 200, 000	31, 000, 000	64, 200, 000	1880	346, 100, 000	60, 500, 000	285, 000, 000
1850	122, 100, 000	26, 500, 000	95, 600, 000	1884	377, 600, 000	72, 600, 000	305, 000, 000

The highest year was 1884. The gross receipts have fallen, in 1885, below 375,000,000, and in 1886, below 370,000,000. The difference, however, is more in the quality than in the quantity sold. The real profit does not exactly correspond with the above net receipts, owing to the variations, from year to year, in capital, working expenses, or supply.

In 1880 and 1885, the sales as given by the administration of direct taxes (those of 1880 being actual and of 1886 estimated), were—

	Quantity.		Amount.	
	1880.	1885.	1880.	1885.
	Kilos	*Kilos.*	*Francs.*	*Francs.*
Cigars *	3, 300, 000	3, 600, 000	54, 000, 000	58, 500, 000
Cigarettes *	800, 000	800, 000	13, 600, 000	17, 400, 000
Snuff	6, 800, 000	6, 500, 000	77, 900, 000	74, 400, 000
Smoking tobacco	13, 400, 000	15, 400, 000	154, 800, 000	178, 800 000
Chewing tobacco	700, 000	700, 000	8, 300, 000	8, 500, 000
Carottes for snuff	500, 000	500, 000	5, 800, 000	5, 400, 000
Tobacco at reduced prices	7, 800, 000	8, 500, 000	23, 100, 000	24, 400, 000
Direct sales and exports	200, 000	200, 000	6, 700, 000	7, 000, 000
Total	33, 500, 000	36, 200, 000	344, 200, 000	374, 400, 000

* The regie counts 250 cigars and 1,000 cigarettes to the kilogram.

The total expense for tobacco in France, including the profit to the retailer, amounts to 400,000,000 francs a year.

Powder.—The factories are under the administration of the minister of war. The relative sales have been as follows:

Year.	Receipts.	Expenses.	Profits.	Year.	Receipts.	Expenses.	Profits.
1820	3, 500, 000	2, 200, 000	1, 300, 000	1865	12, 400, 000	5, 400, 000	7, 000, 000
1830	4, 200, 000	2, 300, 000	1, 700, 000	1869	13, 000, 000	3, 000, 000	.....
1840	5, 600, 000	2, 600, 000	3, 000, 000	1875	13, 500, 000	.....	.....
1850	5, 900, 000	2, 100, 000	3, 600, 000	1880	13, 500, 000	.....	.....
1860	10, 300, 000	5, 100, 000	5, 400, 000				

The law of 1871 doubled the price of shooting powder, hence consumption fell from 403,000 to 183,000 kilograms in 1872.

In 1885 the sales were—

Items.	Quantity.	Amount.
	Kilo.	*Francs.*
Shooting powder	491, 000	6, 000, 000
Blasting powder	2, 815, 000	6, 300, 000
Other powder, cartridges and export	1, 104, 000	1, 600, 000

Dynamite is manufactured by private enterprises under Government control, but pays 2 francs per kilogram tax, and nitro-glycerine 4 francs.

The consumption which, in 1883, was 645,000 kilograms, fell in 1885 to 448,000 kilograms, of which 774 kilograms were nitro-glycerine.

The privilege of manufacturing matches, by law August 2, 1872, a monopoly, has been let for 17,000,000 francs a year to a private company, after paying 32,500,000 of damages to private manufacturers.

No country would put up with the quality of matches sold in France; they are simply execrable.

Postal and telegraphic service before 1878.

Year.	Receipts.	Expenses.	Net revenue.	Year.	Receipts.	Expenses.	Net revenue.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs*
1801	17, 000, 000	9, 000, 000	8, 000, 000	1850	43, 000, 000	33, 000, 000	20, 000, 000
1810	25, 000, 000	14, 000, 000	11, 000, 000	1860	63, 000, 000	40, 000, 000	23, 000, 000
1820	23, 000, 000	11, 000, 000	12, 000, 000	1869	95, 000, 000	65, 000, 000	30, 000, 000
1830	34, 000, 000	19, 000, 000	15, 000, 000	1875	119, 000, 000	69, 000, 000	50, 000, 000
1840	46, 000, 000	25, 000, 000	21, 000, 000	1877	120, 000, 000	72, 000, 000	48, 000, 000

After the reduction made in 1878 in postages the gross receipts fell off 18,000,000, but recovered again in—

Year.	Revenue.	Year.	Revenue.
	Francs.		*Francs.*
1878	102, 000, 000	1883	132, 000, 000
1879	105, 000, 000	1884	138, 000, 000
1880	113, 000, 000	1885	140, 000, 000
1881	124, 000, 000	1886	142, 000, 000
1882	126, 000, 000		

But expenses rose also very rapidly, so that the net revenue is now only 20,000,000 to 30,000,000 francs. Considering that the railways have to carry the mails gratuitously, which, according to the estimate of the minister of public works, amounts to considerable more than the 20,000,000 or 30,000,000 francs net postal receipts (57,000,000 francs in 1884), it is evident that the postal service does not really cover expenses.

Postal telegraphic service combined since 1877.

Year.	Receipts.	Ordinary expenses.	Net receipts.	Proportion of net receipts to expenses.
	Francs.	*Francs.*	*Francs.*	*Per cent.*
1877	139, 000, 000	91, 500, 000	47, 500, 000	51
1878	123, 000, 000	98, 000, 000	25, 000, 000	25
1879	127, 000, 000	106, 000, 000	21, 000, 000	18
1880	138, 000, 000	109, 000, 000	29, 000, 000	26
1881	153, 000, 000	118, 000, 000	35, 000, 000	29
1882	155, 000, 000	124, 000, 000	31, 000, 000	24
1883	161, 000, 000	133, 000, 000	28, 000, 000	21
1884	163, 000, 000	135, 000, 000	28, 000, 000	21
1885	167, 000, 000	137, 000, 000	30, 000, 000	22

Coinage is reserved as a monopoly by the State. The profit arises mainly from fractional silver and bronze coinage, and amounts to a revenue seldom exceeding 100,000 francs (91,000 francs estimated for 1887).

National Printing Office.—All public departments have to have their printing done there; it may also work for other persons with permission of the minister of justice. Its revenue in 1864 was 303,000 francs, estimated in 1887, 163,500 francs.

Official newspaper.—Gross revenue in 1884, 1,037,000 francs; estimated in 1887, 900,000 francs.

State railways.—Profits in 1884, 3,778,000; estimated in 1887, 4,880,000 francs.

DOMAINAL REVENUE.

Revenues of State forests.

Year.	Receipts.	Expenses.	Net revenue.	Year.	Receipts.	Expenses.	Net revenue.
	Francs.	*Francs.*	*Francs.*		*Francs.*	*Francs.*	*Francs.*
1820	17, 800, 000	1, 800, 000	16, 000, 000	1869	38, 800, 000	12, 500, 000	26, 300, 000
1830	27, 100, 000	3, 900, 000	23, 200, 000	1875	38, 700, 000	11, 800, 000	26, 900, 000
1840	33, 200, 000	5. 200, 000	28, 000, 000	1880	36, 200, 000	14, 300, 000	21, 900, 000
1850	32, 900, 000	6, 200, 000	26, 700, 000	1884	29, 400, 000	16, 800, 000	12, 600, 000
1860	42, 000, 000	7, 700, 000	34, 300, 000				

The budget for 1887 estimates the gross receipts (which include shooting licenses and royalties paid by the consumers for cutting of wood) at 26,700,000, 16,000,000 expenses, and less than 11,000,000 net revenue.

The value of the State forests is estimated by the Government at 1,263,000,000; thus the net revenue is less than 1 per cent.

The estimated receipts for 1887 are as follows:

	Francs.
Wood cutting	21,800, 000
Accessories, brush, etc	3, 100, 00
Communes for Régie	1, 000, 00
Sales to arsenal	200, 000
Algeria	600, 000

Domainal receipts from other State property—sales and rents.

Year.	Amount.	Year.	Amount.
	Francs.		*Francs.*
1801	210, 000, 000	1860	13, 000, 000
1810	36, 000, 000	1869	11, 000, 000
1820	5, 000, 000	1875	17, 000, 000
1830	6, 000, 000	1880	14, 000, 000
1840	6, 000, 000	1883	17, 000, 000
1850	9, 000, 000	1884	16, 000, 000

With the exception of the State forests, the State domains cost more than the revenue derived from them. The administration of the registering, stamp, and domains takes care of them.

Various receipts.—The budget for 1887 estimates them at 37,000,000 francs, of which the most important are the following:

	1884.	1887. (estimated).		1884.	1887. (estimated.)
Judicial banks for deposits (caisse des dépôts and consignations)	3, 200, 000	11, 700, 000	Tax on inventions (patent tax)	2, 100, 000	2, 200, 000
One year's volunteers (military)	6, 600, 000	6, 000, 000	Repayment of ministerial expenses	4, 200, 000	2, 000, 000
Prison receipts	5, 700, 000	5, 600, 000	Fees turned over by diplomatic and consular officers	1, 200, 000	1, 200, 000
Paid by railways and tramways for Government supervision	3, 600, 000	4, 600, 000			

Moneys covered into the treasury (Recettes d'ordre).—The budget of 1887 estimates them at 57,000,000, such as retained upon salaries of functionaries and employés for provision of future pensions; 24,900,000 on those of army officers and navy; 8,000,000 money fines and penalties; 9,400,000 collected by universities, etc., for instruction; gifts and donations, 2,200,000; and tributes from Cochin China, 1,800,000.

Also police expenses repaid to the State by the cities of Paris and Lyons, and as a memorandum figures eventual, re-imbursement by railway companies for advances made by the State, which guarantied the interest on their bonds.

Registering or recording taxes.

Sale of furniture, personal property, and business good-will	per cent..	2
Sale of furniture and merchandise after failure	do....	½
Sale of real property	do....	5½
Sale of claims for debts on nominal amounts	do....	1
Sale of hereditary rights in real property, including personal	do....	5½
If divided, on personal property	do....	2
If divided, on real property	do....	5½
Sale of property in litigation:		
If a debt	do....	1
If a rent or personal property	do....	2
If real estate	do....	5½
Exchange of—		
Personal property	do....	2
Claims for debts	do....	1
Real estate	do....	2½
Leases for houses, farms, and cattle on shares, per 100 francs*	centimes..	20
Transfer of leases	do....	20
Subletting of leases	do....	20
Extension of leases	do....	20
Leases of furniture	do....	20
Guarantors for leases, per 100 francs	do....	10
Receipts for rents paid, per 100 francs	do....	50
Hiring domestics and workmen by the year, per 100 francs	do....	20
Contracts for apprentices (fixed)	francs..	1
Plans of houses	do....	2
Contracts for such, per 100 francs	do....	1
Loans of money	per cent..	1
Purchase of perpetual or life annuities	do....	2
Re-purchases of same	do....	½
Agreements without stipulation of amount of value	francs..	3
Agreements, if sum or value is specified	per cent..	1
Nomination of experts	francs..	3
Reports of same	do....	2
All acts of partnership or commercial associations—		
If signed privately	do....	5
If before notary	do....	1
Share certificates of companies or associations on nominal value	per cent..	½
If such companies are to last longer than six years	do..	1
Assignment in bankruptcy	francs..	5
Agreement in bankruptcy on amount remaining to be paid	per cent..	½
Patents for a patent running, in yearly payments of 100 francs—		
Five years	francs..	500
Ten years	do....	1,000
Fifteen years	do....	1,500
Judgments by arbitration—		
In first instance	do....	5
In last instance	do....	10
On money involved in judgment	per cent..	½
Donations or grants outside the marriage contract—		
Between parents and children	do....	1
In direct line—		
Personal estate	do....	2½
Real estate	do....	4

*Houses being usually rented for three, six, and nine years, at the option of the tenant, pay taxes on the longest period.

Donations or grants outside the marriage contract—Continued.		
Between husband and wife:		
Personal estate	per cent..	3
Real estate	do....	4½
Between brothers and sisters, uncles and aunts, nephews and nieces:		
Personal estate	do....	6½
Real estate	do....	6½
Between great uncles and aunts, grand nephews and neices, and first cousins, personal and real	per cent..	7
Relations from fourth to twelfth degree	do....	8
No relations	do....	9
Donations by marriage contract:		
In direct line:		
Personal estate	do....	1½
Real estate	do....	2½
Between married couples:		
Personal	do....	1½
Real	do....	3
Brothers and sisters, uncles and aunts, nephews and nieces, personal and real	per cent..	4½
Great uncles and aunts, grand nephews and nieces, first cousins, personal and real	per cent..	5
Relations from fourth to twelfth degree, personal and real	do....	5½
No relations	do....	6
Mutation by death:		
Direct line, personal and real	do....	1
Between husband and wife, personal and real	do....	3
Between brother and sister, uncle and aunt, nephew and niece, personal and real	per cent..	6½
Between great uncles and aunts, grand nephews and nieces, and first cousins, personal and real	per cent..	7
Between relations from fourth to twelfth degree	do....	8
Between persons not related	do....	9

Stamp duty.

Stamped paper:	Francs.
One-half sheet	50
Small sheet	1.00
Middling	1.50
Large	2.00
Largest	3.00

The proportional stamp tax is levied upon bills of exchange, promissory notes, and all negotiable paper according to the following tariff:

	Centimes.
100 francs or less	5
100 francs to 200	10
200 francs to 300	15
300 francs to 400	20
400 francs to 500	25
500 francs to 1,000	50
1,000 francs to 2,000	1.00
2,000 francs to 3,000	1.50
3,000 francs to 4,000	2.00

And so forth in the same ratio.

Railway receipts, registered letters, money receipts for sums over 10 francs pay 20 centimes stamp.

All notes of hand, negotiable or not negotiable obligations, etc., have to be written on stamped paper of the proportionate description.

All other acts, public or private, susceptible of being produced in court for justification, demand, defense, petition, memorandum, etc., on paper of a fixed rate.

Door and window tax.

[ART. 24. From the 1st of January, 1832, the door and window tax is levied by repartition between the departments, arrondissements, communes, and tax-payers according to the subjoined tariff, excepting contingencies.]

[In francs.]

Population of cities and communes.	For houses with—					For houses with six or more openings.		
	One opening.	Two openings.	Three openings.	Four openings.	Five openings.	Carriage doors, vehicles, and warehouses.	Ordinary windows, ground floor, entre sol, and first and second stories.	Windows, third story and above.
Below 5,000	.30	.45	.90	1.60	2.50	1.60	.60	.60
5,000 to 10,000	.40	.60	1.35	2.20	3.25	3.50	.75	.75
10,000 to 25,000	.50	.80	1.80	2.80	4.00	7.40	.90	.75
25,000 to 50,000	.60	1.00	2.70	4.00	5.50	11.20	1.20	.75
50,000 to 100,000	.80	1.20	3.60	5.20	7.00	15.00	1.50	.75
Over 100,000	1.00	1.50	4.50	6.40	8.50	18.80	1.80	.75

In cities and communes of over 5,000 inhabitants the tax corresponding with the number of population applies only to the dwellings within the octroi lines; those outside are classed as rural communes.

The councils general apportion the contingent amount due by each department among the communes through the councils of arrondissement.

The director of the direct taxes prepares every year a table giving (1) the number of taxable openings of each class; (2) the product of the taxes according to the tariff, and (3) the projected apportionment.

Only one gate for vehicles is taxable on farms or granges, or any other agricultural premises.

The gates for vehicles in houses, from one to five openings, are taxable only as ordinary doors.

Mansard windows and others giving light to inhabited rooms are taxable.

Functionaries, clergy, civil and military employés, though lodged gratuitously in houses belonging to the state departments, arrondissements, communes, or hospitals, are taxed for doors and windows.

Every five years a new project of apportionment of personal as well as mobiliary and doors and window tax is to be submitted to the chambers.

Direct taxes levied in France for 1887.

By law of the 19th of July, 1886, the sum total of all direct taxes levied for the year are as follows, for general expenses:

	Francs.	Francs.	Total.
Real estate not built up	118,570,000	131,688,040	250,258,040
Real estate built up	61,400,000	65,033,000	126,433,000
Personal and mobiliary tax	71,136,000	65,761,610	136,897,610
Doors and windows	47,130,600	32,218,188	79,348,788
Licenses (patentes)	104,905,600	69,540,838	174,446,438
Taxe de 1er avertissement	616,500	423,500	104,000
	403,758,700	364,665,176	768,423,876

Direct taxes to be applied to special credits: To public instruction, 15,295,760 francs; department of the interior, 158,120,820 francs; department of agriculture, 2,407,700 francs; department of finance, 188,840,896 francs.

The heaviest taxed departments are as follows:

Department.	Population.	Tax per head.	Real estate—		Personal and mobiliary.	Doors and windows.	Total.
			Not built on.	Built on.			
		Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Seine (Paris)	2,799,329	13.33	283,057	16,969,132	12,907,721	7,179,934	37,339,844
Nord (Lille, Dunkerque, Cambrai, Valenciennes, etc.)	1,603,259	6.21	2,945,837	2,482,913	2,213,674	2,317,974	9,960,398
Seine-Inférieurre (Havre and Rouen)	833,386	11.07	3,190,358	2,723.251	1,739,407	1,571,339	9,224,355
Rhône (Lyons)	741,470	7.85	.....	.....	.....	.....	5,824,630
Gironde (Bordeaux)	748,703	7.35	.....	.....	.....	.....	5,504,453
Bouches-du-Rhône (Marseilles)	589,028	8.98	.....	.....	.....	.....	5,128,277

Next to Paris Havre is the heaviest taxed city. Departmental direct taxes, 1 franc, octroi, etc.

Tariff of Octroi, Havre.

		Francs.
Liquids and liquors:		
Wine in casks and bottles	hectoliter...4.80; surtax 48	5.28
Cider, pear cider, and mead	per hectoliter..	1.50
Pure alcohol contained in wine spirit in casks and bottles, absinthe and spirit in preserved fruit	hectoliter.....24; surtax.....20	.44
Alcohol denaturalized	hectoliter..	7.50
Strong beer	do....	7.00
Small beer	do....	4.00
Gaseous waters, natural and artificial limonade of all sorts	do....	4.00
Wine vinegar, cider, or pear vinegar, beer, grain or molasses vinegar, sirups of all sorts, elder wine, fruit juice, etc	hectoliter..	8.00
Provisions and eatables:		
Fresh meat, such as bulls, beef, cow, veal, heifer, goat, mutton, sheep, and lamb	per 100 kilos..	9.00
Fresh meat of pork, sow, or sucking pig	do....	9.00
Meat cooked or preserved in any manner, ham, sausages, black pudding or white, and all kinds of prepared meat or pork	per 100 kilos..	9.00
Sardines, anchovies, mackerel, herring, and other fish preserved in oil, butter, pickled, and pickled oysters	per 100 kilos..	17.00
Fresh fish and shell-fish:		
Publicly sold	per franc..	.05
Not publicly sold	per kilo..	.25
Oysters of any kind or origin	per 100 kilos..	1.00
Roosters, chickens, capons, ducks, ducklings, etc	per piece..	.35
Geese or goslings, rabbits, partridges, snipe, plovers, turkeys, hares, wild turkeys, etc	per peice..	.50
Pheasants, woodcock, outardes	do....	1.50
Pigeons of any sort, quail, wood-pigeon, rails	do....	.15
Thrush, larks, black-birds, starlings, and other small birds	per dozen..	.05
Deer, roe-buck, wild-boar, and young boar:		
Entire	per piece..	5.00
Cut up	per kilo..	.50
Terrines, pasty, cooked or uncooked, of meat, venison, fish, or other alimentary substances from abroad	per kilo..	.60
Meat, preparations of pork, poultry, and venison pasties and terrines, of any sort, truffled, open, or covered	per kilo..	1.00
Small peas, beans preserved in butter or any other substance	do....	.25
Truffles	do....	2.50
Oranges, lemons, cedrat	per 100 kilos..	5.00
Chestnuts	do....	5.00
Dried fruit, prunes, raisins, dates, pears, apples, olives, almonds, nuts, hazel nuts, and similar fruit	per 100 kilos..	12.00

		Francs.
Combustibles:		
Wood for heating of all kind	per cubic meter..	1.50
Kindling wood, fagots, brush-wood (for lighting)	per 100..	.20
Charcoal of all sorts	per 100 kilos..	2.00
Coal, coke, bricks made of coal, etc	do....	.50
White or yellow wax, stearine, spermaceti candles, stearic acid, any substance to replace wax from abroad	per 100 kilos..	30.00
Tallow, all sorts of grease, vegetable, animal, mineral, not eatable, of any kind	per 100 kilos..	8.00
Tallow candles	do....	9.00
Mineral oils of all kinds except petroleum	do....	5.00
Forage:		
Straw, long	do....	.80
Straw, short	do....	.50
Hay, clover, grey peas, sainfoin, and other forage	do....	1.30
Oats, tares, grey peas powdered, and other ground feeding	do....	2.30
Bran	do....	1.50
Building material:		
Slates of all kinds 30 by 21 by 33 centimeters or above, proportionately, per 1,000		5.00
Timbers of all sorts in bark	per cubic meter..	4.00
All sorts of timber worked, excluding packing boxes, empty casks new, cooperage, etc	per cubic meter..	5.50
Laths (bundles of 50)	per bundle..	.15
Bricks, tiles (fayence or burned), flags, etc	per 1,000..	3.50
Bricks of larger dimensions over 22 by 11 by 05, or within 833 brick to the cubic meter	per 1,000..	6.00
Bricks (refractaires) glazed	do....	15.00
Pots and pipes (burned):		
Between 15 and 22 centimeters	per meter, running..	.20
Over 22 centimeters	do....	.30
Tablets of fayence	square meter..	4.00
Lime of all kinds	per hectoliter..	.45
Cement of all kinds and stucco	per 100 kilos..	.60
Plaster in powder or burned	do....	.50
Building stones and granite:		
Raw	per cubic meter..	3.50
Worked	do....	5.00
Marble, raw and worked	do....	20.00
Iron:		
Ornamental, etc., for houses, forged	per 100 kilos..	3.50
Cast	do....	2.50
Lead, tin, zinc, rolled or shaped, all kinds	do....	3.00
Window-glass	do....	3.50
Mirrors	do....	10.00
Various:		
Soap of all kinds	do....	8.00
Perfumed water (without alcohol)	do....	30.00
White lead or zinc powdered or oil ground, gas residuum, or anything which could be used as essence	do....	11.00
Ground colors, ochre of all sorts, white of barytes, lamp-black, ivory-black, etc	per 100 kilos..	3.00

Wine containing more than 15 per cent. alcohol and not over 21 per cent. is taxed as wine and pays double tax for the quantity of alcohol contained between 15 and 21 per cent., excepting, however, alcoholized wines which when leaving the manufacturing grower show not more than 18 per cent. alcohol. Wines containing over 21 per cent. alcohol pay as alcohol.

Cider apples or pears pay a tax in the proportion of 5 hectoliters of fruit for 2 hectoliters of cider, or 25 kilograms dried fruit for 1 hectoliter cider. Small wines or water-mixed wines coming from abroad pay as wines, small cider pays for pure cider. Jars or bottles containing brandied fruits pay for contents without deducting the fruit.

Living beasts of all sorts for butchers and others must be led to the weighing office within twelve hours and octroi be paid.

Beasts for the slaughter-house are weighed when entered there, the meat of bulls, cows, beef, veal, heifers, goats, mutton, sheep, lambs is taxed for 55 per cent. of the gross weight, and of pig, sow and sucking pig for 80 per cent.

Fish pastry are taxed for ordinary pastry, unless truffled, when they are taxed as such; no deduction is made for oil, butter, lard, or any other ingredient used for preserving meat, poultry, venison, fish or other preserved meats.

Wood for heating purposes must be cut or split in usual lengths and unfit for other

purposes; for dyeing free unless intended for heating. Kindling wood 60 to 67 centimeters long about one hundred to the cubic meter (stère) weighing 6 to 7 kilograms, more or less dry, and fagots pay proportionately.

Coke made of coal in town, which has paid octroi, free.

Tallow, raw, or soap-fat, a deduction of 20 per cent. is made for loss.

Wheat, rye, barley, or oats in the ear, one-third is taxed as such and two-thirds for straw.

Forage, green, not taxed; cut up, taxed same as bundled.

Timber for building purposes, with bark on, is measured from the middle to the bark; a quarter of the circumference forms one side of the square. The real volume in stères (cubic meter) and centisteres is taxed irrespective of customary deductions made by the trade.

Bricks, broken yet usable, taxed like others.

Lime, slackened and powdered, pays half tax; mixed with sand, same.

Plaster, crude or in blocks, half price.

Marble, being part of furniture, same as furniture, free.

Water scented with extracts of flowers, orange, nedoli, thyme, bergamotte, etc., are tested for alcohol by dropping in clear water; if the water whitens it proves the presence of alcohol.

Soap, powdered, almond, rice, marshmallow pastes, and similar preparations pay 30 centimes per kilogram.

In case an article is composed of different substances differently taxed the highest tax prevails unless the declarant presents them separately.

Fractions of quantity or measure pay for full.

Ordinary receipts, budget 1887, *condensed.*

	Francs.	Francs.
Octroi in 1885:		
Wines and liquors	941,000	
Eatables	584,000	
Combustibles	507,000	
Forage	225,000	
Materials	623,000	
Various	120,000	
	3,000,000	
Estimate		2,965,000
Slaughter-houses (abattoirs)		90,000
Cattle market		22,000
Markets		100,000
Various		3,460
		3,211,600
Additional centimes	372,918.96	
Shooting licenses	6,000.00	
Dog tax, etc	28,000.00	
		406,918
Receipts from communal property		59,322
Permits to tramways, occupation public streets, and water service		402.418
City's share in bonded warehouses		425,000
City's share in gas company		133,000
Subvention from state for public schools		153,143
Subvention from state school of fine arts		3,480
Various		299,428
Total ordinary receipts		5,094,309

Extraordinary receipts, condensed budget of the city of Havre, 1887.

	Francs.
Additional centimes on 2,202,398 francs, the proceeds of the four taxes, or 24 centimes per franc	528,173.24
Extra octroi on wine and alcohol; 48 centimes per hectol. on wine and 20 francs on alcohol	630,000.00
Loan	103,000.00
Various	270,254.00
Deficiency	39,837.95
	1,571,265.19

RECAPITULATION.

	Francs.
Ordinary receipts	5,100,809.00
Extraordinary receipts	1,531,427.00
	6,632,236.00

Ordinary expenses, budget 1887, *condensed.*

	Francs.	Francs.
Mayor's office and staff	101,650.00	
Tax collector	28,165.89	
Printing and advertising	36,200.00	
Heating and washing	21,900.00	
Lighting	18,175.00	
Postage and gratuities for merit	21,000.00	
		227,090.89
Engineer's department and public works:		
Salaries street inspector and employés	42,070.00	
Salaries overseers and superintendent	20,850.00	
Water department and sewerage, salaries	43,550.00	
		106,470.00
Public buildings:		
Salaries		58,360.00
Police department:		
Salaries police commissaires	34,600.00	
Rent	3,450.00	
Salaries administrative police	6,000.00	
Police officers and detectives	251,900.00	
Clothing	23,690.00	
Special police, clothing and rewards	84,286.00	
Rewards to hackmen for lost objects	200.00	
Dog-pound	2,500.00	
Six police justices	16,775.00	
		423,601.00
Octroi:		
Collection expenses	298,389.00	
Collection, markets and abattoir	55,280.00	
		353,669.00
Expenses:		
Communal property	68,225.59	
Public buildings	161,080.00	
Public streets	1,354,360.00	
Health department	24,300.00	
Country roads	110,119.93	
		1,718,085.52
Fire department:		
Brigade salaries	94,002.00	
Subvention to chamber commerce steam fire-engine	2,000.00	
Extras	455.00	
		96,457.00
Military expenses:		
Drilling ground	3,450.00	
Barracks and garden	13,000.00	
		16,450.00
Department hospitals and charities:		
Hospitals (730,000 francs), foundling establishments, etc		1,023,521.48
Public instruction:		
Salaries, rents, prizes	808,236.00	
Museum, library	32,120.00	
Conservatory, music, fine arts	45,650.00	
Theater subvention	12,800.00	
		898,806.00

	Francs.	Francs.
Clergy:		
Rents dwellings Catholic priests, three Protestant ministers, and one rabbi		12,600.00
Various expenses:		
Public festivities	53,250.00	
Unforeseen and contingent	72,610.43	
		125,860.43
Excess of receipts		39,837.95
		5,100,809.00

Extraordinary expenses, condensed budget of the city of Havre, 1887.

	Francs.	Francs.
Maritime exhibition, assistance to reservists and territorial army		121,023.99
Public works, boulevard Tamarville		120,781.50
Guaranty maritime exhibition	50,000.00	
Ninth annual payment for building Exchange	29,985.06	
Various	11,900.00	
		91,885.06
Hospital service		35,000.00
School of fine arts, public instruction		242.00
Rents due hospitals	11,527.22	
Interest on 2,340,000 francs	25,650.00	
Interest on 5,200,000 francs	9,685.00	
Sinking-fund, 12,000,000 francs	599,340.11	
Paid account loan, 2,340,000 francs	103,000.00	
Second sinking-fund loan, 5,000,000 francs	280,377.60	
School loan, 1,750,000 francs	88,788.55	
Third sinking-fund loan, 410,200 francs	16,408.00	
First sinking-fund loan, 1,135,000 francs	67,556.16	
		1,571,265.19

RECAPITULATION.

Ordinary expenses	5,060,971.00
Extraordinary expenses	1,571,265.00
	6,632,236.00

Debt statement, December 31, 1886.

Due on debt:	
2,340,000 francs at 5 per cent. interest	513,000.00
12,000,000 francs at 4.15 per cent., due 1916	11,412,571.65
1,000,000 francs at 4 per cent., due 1915	236,121.57
1,000,000 francs at 4 per cent., due 1916	243,103.52
1,000,000 francs at 4 per cent., due 1917	250,000.00
410,200 francs at 4 per cent., due 1915	387,428.63
5,000,000 francs at 4.75 per cent., due 1925	4,956,613.63
Due on city's subscription to Exchange building, 24 annual payments.	719,641.44
Total debt	18,718,480.44

Direct taxes contributed by the city of Havre (general roll) 1886.

Description of tax.	Principal.	of the ate.	Ordinary and extraordinary, centimes.		Aid fund and retaxation.	Total.
			Departmental.*	Communal.†		
Real estate	686, 550. 00	686, 550. 00	378, 392. 72	271, 187. 26	24, 476. 07	1, 360, 606. 05
Doors and windows	356, 501. 00	356, 501. 00	107, 360. 63	122, 992. 84	18, 738. 30	605, 592. 77
Doors and windows, centimes généraux 15.8		56, 327. 16				56, 327. 16
Licenses, patentes	812, 453. 73	747, 457. 42	244, 671. 25	280, 296. 52	66, 871. 09	1, 339, 296. 28
Licenses, centimes généraux 14.6		118, 618. 24				118, 618. 24
Centimes, special, 20		162, 485. 59				162, 485. 59
Personal and mobiliary	346, 894. 00	346, 894. 00	191, 190. 98	137, 023. 13	16, 388. 12	691, 496. 23
Personal, centimes généraux 0.17		58, 971. 98				58, 971. 98
Costs of avertissements					1, 431. 60	1, 431. 60
Costs of collection				24, 998. 59		2, 499. 59
Attribution on the principal of licenses				64, 996. 31		64. 996. 31
Total	‡2, 202, 398. 73	2, 533, 805. 39	921, 615. 58	901, 494. 65	127, 905. 18	4, 484, 820. 80

*55.115.1 on real, personal, and mobiliary; 30.1151 on doors, and windows, and licenses.
†39.5 on real, personal, and mobiliary; 34.5 on doors, and windows, and licenses.
‡The first column (2,202,398.73 francs) represents the amount of the principal of the taxes due as per cadastre on which the extra centimes are calculated.

	Francs.
The state collects from the city of Havre	4, 484, 820. 80
Department receives	921, 615. 58
Commune of Havre	901, 494. 65
The aid fund	127, 903. 18
State retaining the balance of	2, 533, 805. 39
	4, 484, 820. 80

Budget of the city of Paris.

Year.	Population.	Ordinary budget.	Tax per capita.
			Francs.
VII	531, 000	7, 500, 000	14¼
1800	548, 000	12, 000, 000	23
1813	622, 000	23, 000, 000	37
1849	946, 000	44, 000, 000	43
1860 (after annexation)	1, 800, 000	104, 000, 000	91¼
1880	2, 200, 000	229, 000, 000	104
1887	2, 345, 000	257, 000, 000	110

Principal revenues estimated in the budget of 1887.

	Francs.
Octroi	137, 700, 000
Communal centimes, special and dog tax	37, 700, 000
Gas company	17, 600, 000
Water rents	12, 000, 000
Markets	7, 900, 000
Metropolitan police, returned by State	7, 700, 000
Taxes on public vehicles	5, 200, 000

Estimated expenses.

Interest on debt	100, 000, 000
Police department	25, 000, 000
Schools	23, 500, 000
Public charities	21, 000, 000
Streets	20, 000, 000
Promenades, lighting, etc	10, 500, 000
Water, sewers, etc	8, 500, 000
Collection expenses of octroi	7, 500, 000

City property estimate.

Permanent domains	1, 138, 000, 000
Temporary domains	56, 000, 000
Mobiliary domains, museums, etc	423, 000, 000
Total	1, 617, 000, 000

French national budget as it was proposed for 1887.

RECEIPTS.

	Francs.
Direct taxes	440, 270, 690
Domainal receipts	47, 576, 442
Indirect taxes	2, 413, 782, 815
Mobiliary tax, 3 per cent. on rental value	46, 116, 600
Various	30, 849, 837
Exceptional resources (loan, 105,000,000 francs)	106, 082, 465
Recettes d'ordre	57, 169, 976
Visible deficiency	80, 377, 061
	3, 222, 225, 286

EXPENSES.

Public debt	1, 286, 372, 31
Public authorities, President's household, and chamber of deputies, senate, etc	13, 228, 86
Ministries:	
Finances	16, 114, 855
Justice	37, 304, 001
Foreign affairs	44, 239, 900
Interior	11, 047, 871
Posts and telegraphs	1 38, 702, 168
War	555, 984, 529
Marine and colonies	229, 701, 863
Public instruction and fine arts	145, 313, 435
Commerce	20, 270, 028
Agriculture	39, 578, 673
Public works	121, 156, 259
Expenses of Régie and of collection of taxes	443, 221, 190
Re-imbursements and restitutions	20, 039, 340
	3, 222, 225, 286

PUBLIC DEBT.

Consolidated debt:		
4½ per cent. rentes, new	305, 540, 359	
4½ per cent. rentes, old	37, 438, 232	
4 per cent., 446,096 francs; and 3 per cent., 416,488, 351 francs	416, 934, 447	
		759, 908, 038
Sinking fund, annuities to railroads, department communes, interest floating debt		296, 786, 550
Debt (Viagère) pensions and annuities		210, 732, 726
		1, 267, 427, 314

French debt.

Date.	Rentes (yearly).	Representing capital.	Reduced by conversions at lower interest.
December 23, 1800	35, 700, 000	713, 600. 000	.....
January 1, 1815	63, 600, 000	1, 272, 100, 000	.....
August 1, 1830	199, 400, 000	4, 426, 300, 000	.....
February 24, 1848	244, 300, 000	5, 912, 900, 000	.....
January 1, 1852	239, 300, 000	.....	5, 516, 200, 000
January 1, 1871	386, 200, 000	.....	12, 454, 300, 000
January 1, 1886	826, 200, 000	.....	23, 728, 100, 000
Budget, 1887	882, 700, 000	.....	25, 848, 500, 000

Table showing yearly interest payment.

Item.	1886.	1887.	Item.	1886.	1887.
Four and one-half per cent. rentes:			Three per cent. perpetual	363, 000, 000	396, 700, 000
New	305, 400, 000	305, 600, 000	Three per cent., reimbursable	120, 000, 000	142, 600, 000
Old	37, 400, 000	37, 400, 000			
Four per cent	400, 000	400, 000	Total	826, 200, 000	882, 700, 000

The above table shows a total indebtedness of nearly 26,000,000,000 (26 milliards) of francs, but this is not all; the nation debt is much larger. Independently of the military, civil, and other pensions

(209,000,000 in 1887) or called dette viagère, which are salaries for non-activity during life, the state has to provide besides—

	Francs.
Interest on floating debt	22,800,000
Interest and sinking fund on short loans	44,900,000
Interest and sinking fund on thirty-year loans	6,600,000
Communal roads and school establishments	10,400,000
Annuities to railways	53,100,000
Annuities for conversion on Morgan loan	17,300,000
Various annuities	37,700,000
Interest on money deposited for bonds of officials	9,400,000
	202,200,000

Representing such a capital, which swells the state debt to upwards of 32 milliards of francs.

If we add to this figure debts contracted by the department communes (the city of Paris, for instance, had a debt on the 31st of March, 1878, of 1,988 millions against 1,376 in 1868) other 18,233 communes 1,322 millions (against 524 in 1868), and 1,711 in 1871, or 3½ milliards more, which probably since 1878 increased to 4 milliards, the debt of France must at present amount to 36 milliards, or nearly 1,000 francs per head.

On the other hand, it is believed that the income of every man, woman, and child in France is 75 centimes per day, or 274 francs per annum, making a total of 10 milliards. Some authorities place the sum at over 20 milliards and give their reasons for such estimates.

A parliamentary commission in 1885 made the following estimate of the national income:

Real estate:	
Not built	2,646,000,000
Built	2,200,000,000
Mobiliary property taxed at 3 per cent	1,595,000,000
Mortgages	500,000,000
Perpetual state debt	740,000,000
Repayable state debt	106,000,000
Life state debt (pensions, etc.)	192,000,000
	7,979,000,000

To this sum of nearly 8 milliards some political economists add about 15 milliards of wages earned. Leroy Beaulieu believes that there are not more than 700 or 800 private incomes in France of over 250,000 francs, nor more than from 18,000 to 20,000 of between 50,000 francs and 250,000 francs.

Maurice Block, another authority, risked an estimate in 1873 of private wealth in France:

Year and name.	Real estate.	Personal.	Total.
	Milliards.	*Milliards.*	
1820	40	15	.....
1840	40	40	.....
1847	100	40	.....
1850	100	45	.....
1860	100	114	.....
1869	100	150	.....
1873	120	150	.....
1853 (Émile de Girardin)	92	83	125
1871 (Wolowski)	120	55	175
1872 (Duke of Ayen)	100	95	195
1878 (Dr. Vacher)	216	44	260
1878 (A. Amelin)	135	105	240
1881 (S. Mony)	115	101	216

A. de Foville, professor at the school of political economy and chief of the bureau of statistics of the ministry of finances, estimates the total at the outside at 200 milliards.

The following list shows the inheritances by death and donations by the living as published by the administration of finances:

Year.	Inheritances.	Donations.	Total.	Year.	Inheritances.	Donations.	Total.
1826..	1,337,000,000	449,000,000	1,786,000,000	1873.	3,712,000,000	1,033,000,000	4,745,000,000
1830..	1,451,000,000	465,000,000	1,916,000,000	1874.	3,932,000,000	996,000,000	4,928,000,000
1835..	1,540,000,000	519,000,000	2,059,000,000	1875.	4,254,000,000	1,067,000,000	5,321,000,000
1840..	1,669,000,000	607,000,000	2,216,000,000	1876.	4,702,000,000	1,068,000,000	5,770,000,000
1845..	1,742,000,000	702,000,000	2,444,000,000	1877.	4,438,000,000	1,028,000,000	5,466,000,000
1850..	2,025,000,000	659,000,000	2,684,000,000	1878.	4,748,000,000	1,054,000,000	5,802,000,000
1855..	2,407,000,000	726,000,000	3,133,000,000	1879.	5,004,000,000	1,103,000,000	6,107,000,000
1860..	2,724,000,000	802,000,000	3,526,000,000	1880.	5,266,000,000	1,117,000,000	6,383,000,000
1865..	3,029,000,000	851,000,000	3,880,000,000	1881.	4,912,000,000	1,089,000,000	6,001,000,000
1869..	3,637,000,000	930,000,000	4,567,000,000	1882.	5,027,000,000	1,046,000,000	6,073,000,000
1870..	3,372,000,000	682,000,000	4,054,000,000	1883.	5,243,000,000	1,062,000,000	6,305,000,000
1871*.	5,011,000,000	718,000,000	5,729,000,000	1884.	5,078,000,000	1,023,000,000	6,101,000,000
1872..	3,951,000,000	1,128,000,000	5,079,000,000	1885.	5,407,000,000	1,022,000,000	6,429,000,000

*War great mortality

For 1886 the inheritances are about the same as in 1885, but in the donations an increase of about 4 per cent. is expected.

The period from 1876, when there was a remodeling of the tax, will show the increase of fortunes.

Taxes were levied on the following inheritances:

	1883.	1884.	1885.
French and foreign government securities	319	274	296
French and foreign other than government	610	569	586
Other personal estate, furniture, cash, claims, etc	1,619	1,684	1,682
Total personal estate	2,548	2,527	2,564
Real estate	2,695	2,651	2,784
Grand total	5,243	5,178	5,348

Inheritances, indirect line, formed two-thirds, or 3,623,000,000, in 1885, between the married; one-tenth, or 539,000,000, collateral; relations, 1,016,000,000; no relations, 229,000,000.

Conclusions.—The national fortune of France being about 200 milliards of francs, only two countries, viz, the United States of America and England, surpass it.

The national debt is so formidable that the history of the last twenty years must have opened the eyes of the writers who think France rich enough to pay not only for her national glory but also for her recent misfortunes and all the fancies of generosity, ambition, covetousness, and passions of her politicians.

Nothing but peace can restore her disordered finances; a disastrous war would be her utter ruin.

F. F. DUFAIS,
Consul.

UNITED STATES CONSULATE,
Havre, May 14, 1887.

TABLE A.—*Fixed tax.*

[In francs.]

Classes.	In Paris.	Communes.							
		Over 100,000.	50,000 to 100,000.	30,000 to 50,000.	20,000 to 30,000.	10,000 to 20,000	5,001 to 10,000	2,000 to 5,000.	2,000 to below.
1.....	400	300	240	180	120	80	60	45	35
2.....	200	150	120	90	60	45	40	30	25
3.....	140	100	80	60	40	30	25	22	18
4.....	75	75	60	45	30	25	20	15	12
5.....	50	50	40	30	20	15	12	9	7
6.....	40	40	32	24	16	10	8	6	4
7.....	20	20	16	12	8	*8	*5	*4	*3
8.....	12	12	10	8	6	*5	*4	*3	*2

Taxpayers of the seventh and eighth classes selling by peddling in carts, on tables, or under sheds, are free of proportional tax.

The asterisk (*) signifies exemption from proportionate tax in cities of 2,000 inhabitants or less.

Wholesale dealers are considered those who principally sell to other dealers.

Half wholesale dealers, who generally sell to shop-keepers and consumers.

Retail dealers, who habitually sell to consumers.

The first-class consists of wholesale dealers, large cafés, money changers, discounters, auction-rooms, and pay a tax of one-twentieth part of the rentable value of house or warehouse.

The second class consists of half wholesale dealers, also ship-chandlers, manufacturing jewelers, wood-sellers by the cubic meter, butchers dealing in whole animals, carriagemakers, wholesale dealers in hair, diorama, panorama, manufacturer of linen garments or draper, wholesale sewing-machine dealer, dry-goods stores with not more than ten employés, wholesale hardware dealers, ready-made clothing dealers, not more than ten employés, pay a tax of one-twentieth rentable value.

The third class—wholesale dealers in slates, builder, depot or wholesale dealer in beer, jewelry store, cattle dealer, dealer in furniture, wood, chemist, chocolate (wholesale), cider merchant (by the barrel), neck-wear (wholesale), confectioner (wholesale), green hides (wholesale), drugs, military equipment, glove manufacturer (wholesale), artificial flowers, gold and silver refiner, watch-maker, hotel keeper, printer, surgical instrument maker, book publisher, dealer in bedding, sewing and knitting machine dealer (half wholesale), wholesale marble dealer, organ builder, marchand de modes, piano manufacturer, restaurant keepers, packers of salt meats, retail silk merchant, merchant tailor, dry goods stores, wholesale oil cake and truffle dealer, half wholesale salt and smoked meats pay a twentieth of rentable value of store.

The fourth class—house agents, appraisers, merchant boot-maker, bakers using mechanical process, rubber goods merchants, literary club manager, horse and cattle dealer, broker selling merchandise to retailers, slater, retail leather dealer, manufacturer mineral waters, retail flour and fur dealers, furnished rooms, mason-builder, riding school, poulterer, artificial stone manufacturer, fruit dealer, commercial agent, wine merchant selling by the bottle, and retail shop-keepers generally, pay a tax proportional of one-thirtieth rentable value.

The fifth class—keeper of lying-in hospital, brandy or spirit inspectors, retail liquor store, publisher of almanacs, armorers, scale manufacturer, false stones, dealer in fire-wood, musical boxes, bakers, stationer, retail coal merchant, livery-stable keeper, dealer in curios, maker of artificial teeth, packers of wine, glass, etc., keepers of furniture stores, forage dealers, retail glove stores, oyster houses, sewing and knitting machine—retail dealers, plumbers, boarding-houses, retail grocers, tailors not working their own goods, pay a proportionate tax of one-thirtieth.

The sixth class paying the same tax; about the same class of trade.

The seventh class pays one-fiftieth in communes of over 20,000 souls, piano-tuners, metal finishers, captains of lighters, land surveyors, harness-makers, working jeweler, bleaching and washhouses, dealers in second-hand books, intelligence offices, woolen carder, charcoal-burner, horse broker, rag dealer, selling less than 1,000 kilograms, mechanics and manufacturers by the piece.

The eighth class paying one-fiftieth proportionate tax of rentable value of premises; almost everybody else not before taxed.

TABLE B.—*Professions taxable according to population and an exceptional tariff.*

Description.	Fixed tax.	
	Tax.	Tax for each employé over 5, book-keeper, cashier, or salesman.
	Francs.	*Francs.*
Stockbrokers:		
Paris	2,000	50
Other towns with stockboard	500	25
Towns over 100,000 inhabitants	250	12
Towns from 50 001 to 100,000	200	10
Towns from 30 001 to 50,000	150	8
Towns from 15,001 to 30,000	100	5
All other communes	75	5
Maritime insurance:		
Paris	300	15
Towns from 100.001 and over	250	15
Towns from 50,001 to 100,000	200	10
Towns from 30,001 to 50,000	150	8
Bankers:		
Paris	2,000	50
Towns of 100,001 and over	1,000	40
Towns from 50,001 to 100,000	500	25
Towns from 30,001 to 50,000	400	20
Issuing foreign loans, societies and companies paying interest on such foreign loans 50 per cent. more.		
Hacks, public:		
Paris	4	.....
Towns 100,000 and over	3	.....
Loan offices advancing on securities:		
Paris	500	25
Towns from 100,001 and over	400	20
Towns from 50,001 to 100,000	300	15
Towns from 30,001 to 50,000	200	10
Towns from 15,001 to 30,000	150	8
Elsewhere	100	5
Forwarding merchants by land or sea:		
Paris:	300	15
Towns from 100.001 and over	250	12
Towns from 50,001 to 100,000	200	10
Towns from 30,001 to 50,000	150	8
Towns from 15,001 to 30,000	100	5
Elsewhere	30	5
Commission merchants in merchandise:		
Paris	400	20
Cities 50,001 and over	300	15
Cities 30,001 to 50,000	200	10
Elsewhere	75	5

Description.	Fixed tax.	
	Tax.	Tax for each employé over 5, book-keeper, cashier, or salesman.
	Francs.	*Francs.*
Brokers in merchandise:		
Paris	200	10
Towns from 50,001 and over	150	8
Towns from 30,001 to 50,000	100	5
Towns from 15,001 to 30,000	75	5
Elsewhere	50	5
Insurance brokers also ship brokers:		
Paris	300	15
Cities from 100,001 and over	250	12
Cities from 50,001 to 100,000	200	10
Cities from 30,001 to 50,000	150	8
Elsewhere	50	5
Dealers in fine diamonds:		
Paris	500	25
Towns of 100,001 and over	400	20
Towns of 50,001 to 100,000	300	15
Towns of 30,001 to 50,000	200	10
Elsewhere	100	5
Ready-made clothing stores (if more than 10 employés):		
Paris and cities of—		
over 100,000 and	100	25
50,001 and over	80	20
5,001 to below	30	15
Merchants, wholesale, trading in different goods:		
Paris	500	25
Cities of over 101,000	400	20
Cities of 50,001 to 100,000	300	15
Cities of 30,001 to 50,000	200	10
Cities of 15,001 to 30,000	150	8
Elsewhere	100	5
Foreign steamship agencies:		
Paris	300	15
Cities from 100,001 and over	250	12
Cities from 50,001 to 100,000	200	10
Cities from 30,001 to 50,000	150	8
Contractors telegraph signals of ports:		
Cities of 50,001 and over	100	.....
Cities of 30,001 to 50,000	75	.....
Cities of 15,001 to 30,000	50	.....
Elsewhere	25	.....

TABLE C.

First part.

Ship-owners for every net ton sailing vessel, long course, 10 centimes; steam, 40 centimes; sailing, coasting, 5 centimes; steam, coasting, 20 centimes.
Insurance companies, not mutual, per department, 100 francs.
Bank of France, including branch offices, 50,000 francs.
Boats for river and canal navigation, per gross ton, 3 centimes.
River and lake steam-boats, per gross ton, 13 centimes.
Tow-boats, per boat, 60 francs.
Draining and clearing companies, per hectare, 50 centimes.
Re-insurance companies, one-half of fixed tax of the companies they treat with.

Stock-banking, credit-discounting companies, per 1,000 francs of nominal capital, 30 centimes.
Tontine societies, 360 francs.

Second part.

Proportional tax, one-twentieth rentable value of dwelling and one-fortieth rentable value of industrial establishment.
Gold and silver refiner, 5 francs and 10 francs for each workman and 100 francs for smelting apparatus.
Jewelers' ashes, 5 francs and 3 francs for each workman and 30 francs per oven.
Lime and cement, natural, 1.20 to 1.50 francs per cubic meter gross capacity of oven; artificial, 1.80 francs per cubic meter.
Chocolate manufacturer, 5 francs and 4 francs per workman and 6 francs per mold.
Coke, 15 centimes per 100 kilograms coal used.
Distilleries, liquor, 5 francs per hectoliter gross capacity of all stills and 1 franc per hectoliter gross capacity of all pans.
Printers' ink manufacturer, 5 francs and .05 franc per workman.
Manufacturer of alcohol, 60 francs and one-half those producing less than 100 hectoliters.
Cheese manufacturer (dry), 5 francs and 5 francs per workman and 25 francs per machine.
Glucose manufacturer, 5 francs and 4 francs per workman.
Malt manufacturer, 5 francs and 4 francs per workman.
Soap manufacturer, 70 centimes per hectoliter capacity boilers.
Salt (refined) manufacturer, 5 francs and 5 francs per workman.
Tallow smelter, 5 francs and 5 francs per workman.
Vinegar manufacturer, 12 centimes per hectoliter gross capacity of fermenting vessels.

Third part.

Proportional tax, one-twentieth on dwelling-house and one-fiftieth on industrial premises (rental value).
Steel manufacturers, natural and forged, 40 francs per smelting oven, refining oven, and puddling oven; cast-steel, additional, 5 francs and 4 francs per workman; cast-steel, Bessemer process, 3 francs for every converter of 100 kilograms.
Weapons of war maker, 5 francs and 2 francs per workman.
Ship biscuits, mechanical, 5 francs and 3 francs per workman.
Brewers, 1 franc per hectoliter gross capacity of kettle, and 50 centimes if brewing only four times a year.
Rope-makers, ships' use, 5 francs and 4 francs per workman.
Rubber goods, 5 francs and 5 francs per workman.
Type founders, 5 francs and 4 francs per workman.
Casino, 5 francs and 10 francs for each attendant.
Boot-maker, by machinery, 5 francs and 3 francs per workman and 12 francs per machine.
Railroads, 10 francs per kilometer, double tracked, and 5 francs per kilometer, single tracked.
Cutlery manufacturer, 5 francs and 4 francs per workman.
Table cutlery manufacturer, 5 francs and 5 francs per workman.
Crystal manufacturer, 5 francs and 3 francs per workman.
Pins, 6 francs per machine complete and 3 francs for simple.
Any manufacturer whose profession is regulated by a fixed tax according to population and a general tariff having more than 10 workmen, 18 francs for the first ten and 3.60 francs for any excess.
Army clothing and equipment contractors, 5 francs and 3.60 francs per workman.
Manufacturer of porcelain, 1 franc per cubic meter gross capacity of oven.
Tin-plates, 5 francs and 5 francs per workman.
Bronze manufacturer, large objects, 5 francs and 7 francs per workman, and small objects 5 francs and 4 francs per workman.
Type stereotype, 5 francs and 4 francs per workman.
Iron masters, 40 francs per refining fire per puddling oven and catalane, 80 francs per reheating oven.
Glove manufacturer, 5 francs and 2½ francs per workman and 8 francs per stitching machine.
Gas for lighting, 20 centimes per cubic meter capacity of gas-holder.
Smelting furnaces, 3 francs per cubic meter capacity and 4 francs per workman.
Oil works, chemical process, 12 centimes per hectoliter, gross capacity of receiving vessels and 60 centimes per hectoliter distilling boilers.
Oyster dealers, if annual sale more than 800,000, 100 francs, and if less 40 francs.

Wool-washers, also of old goods, 5 francs and 5 francs per workman.
Private sanitarium, 5 francs and 5 francs per attendant.
Grinding and pulverizing mills, 6 francs per pair of stone or cylinder and 1.20 francs per stamper.
Hardware manufacturer, 5 francs and 3½ francs per workman.
Sawing mill, 4 francs per saw and 1.50 francs per grooving or similar machine.
Sugar refinery, 5 francs and 10 francs per workman.
Beet-root refinery, 3 francs per hectoliter net boiler capacity.
Tanner, 5 francs and 40 centimes per cubic meter of pits and vats.
Private telegraph enterprise, 600 francs.
Contractors for removing prisoners, 360 francs.
Manufacturers lead pipe, 60 francs per pressing machine.

Fourth part.

Proportionate tax, one-twentieth on dwelling and one-sixtieth on industrial establishment.
Cloth-finishers for manufacturers, 5 francs and 4 francs per workman.
Mechanical carders, 6 francs per carding machine.
Boiler-makers for steam-engines and distilling, 5 francs and 5 francs per workman.
Felt manufacturers, 1.20 per pair cylinders.
Sewing thread, cotton, 2 centimes per spindle; woolen, 4 centimes per spindle; silk-waste, 6 centimes per spindle; hemp-linen jute, 8 centimes per spindle, also 4 francs per workman.
Spinning mills, carded wool, combed, 4 centimes per spindle; hemp, flax, jute, 8 centimes per spindle; cotton, 2 centimes per spindle.
Printing works, 4 francs per table.
Looms, mechanical, for spinning or weaving, manufacturer of, 5 francs and 5 francs per workman.
Ship-builders, 5 francs and 5 francs per workman.

Fifth part.

Proportionate tax, one-twentieth on dwelling only.
Public slaughter-houses, 50 centimes per 100 francs lease.
Forwarding cattle, 60 francs.
Quarries, 5 francs and 1½ francs per workman.
Public concerts, three-tenths of receipts if more than three times a week, three-twentieths if less.
Draining contractors, 5 francs and 2½ francs per workman.
Dredging contractors (machinery), 5 francs and 4 francs per workman, or 2½ francs if manual.
Prison-labor contractor, 1 franc per man.
Work-house contractors, 40 centimes per man
Forwarding merchant of fresh vegetables, 60 francs.
Restaurateur on steamboat, 5 francs and 10 francs per employé.
Theaters, three-tenths of each representation, if every day, and three-twentieths if not every day, the troupe being stationary; if traveling or not at least four months in one place, 60 francs.
Balls, concerts, etc., 50 centimes of every 100 francs receipts.
Contractors of public works, 5 francs and 25 centimes of 100 francs yearly receipts.

TABLE D.

Proportionate tax, one-tenth of rentable value of premises occupied for tax-payers subject to Table B:
Insurance companies not mutual.
Insurance companies and societies of re-insurance.
Banking, discounting, and credit companies on shares.
Bank of France and branch establishments.
Proportionate tax, one-fifteenth of rentable value of premises:
Architects, lawyers, notaries, dentists, surgeons, physicians, civil engineers, auctioneers, health officers, veterinarians.
Proportional tax, one-twentieth of rentable value of premises:
Patentees of first, second, and third class in Table A.
For first part of Table C.
For Table C, second, third, fourth, and fifth part the tax is payable only on their dwelling.

Proportional tax, one-thirtieth of rentable value of all premises occupied:
Patentees of fourth, fifth, and sixth class, Table A.
Proportional tax, one-fortieth of rentable value of premises:
Industrial establishment in second class, Table C.
Wholesale dealers in flour, hops, deals and planks, wine, oil, furnished rooms (hotel garni, dining-rooms, public parlors, and dwelling part taxed for one-twentieth), printer, riding and swimming school, private lying-in hospital, baths furnishing steam or water power, gymnasium, letting furnished rooms and apartments, undertakers, carriage manufacturer (his dwelling pays one-twentieth), etc.
Proportional tax, one-fiftieth of the rentable value of all premises occupied by patentees of seventh and eighth class, Table A, but only in communes of 20,000 inhabitants or over.
Proportional tax, one-sixtieth rentable value of all industrial establishments in the fourth section, Table C.
Exempt of the proportional tax are the patentees of the seventh and eighth class, Table A, who do their trade on vehicles, under sheds, or on open tables; the lessors of only one furnished room, and those letting furnished rooms for that part which they occupy themselves; individuals working hand machines for grinding, pulverizing, etc.

TAXATION IN THE DEPARTMENT OF GIRONDE, FRANCE.

REPORT OF CONSUL ROOSEVELT.

No political question in France to-day is so complex and of such great importance as that of finance. It has been the Charybdis and Scylla that wrecked two recent cabinets, and still the question "how shall the greatest revenue be raised with the least burden on the people" remains unsolved.

Each new ministry has struggled to lessen the burden upon the people, but unsuccessfully, as each year finds the estimate of the "budget" an increase on the preceding one, until to-day the rate of taxation is something over a fraction of $22 per capita.

The principal branches of revenue in France are designated as a sequel to the budget of receipts and are classified as follows:

(1) Direct taxes, (2) indirect taxes, (3) customs, (4) enrolling estates and stamps, and (5) post and telegraphs.

DIRECT TAXES.

A direct tax, by which is understood all taxes levied directly on the person or land and which pass directly from the tax-payer to the receiver of taxes, is one of the most important sources of French revenue.

There are four direct taxes, classified as follows:

(1) Land tax, which is levied upon real estate improved or unimproved; (2) personal tax, which is levied upon all persons having an income no matter from what source derived, and also upon the renting value of the domicile; (3) tax on windows and doors of all buildings; (4) license tax levied upon all persons, irrespective of nationality, engaged in commercial, professional, and industrial pursuits in France, unless expressly included among the exemptions determined by law. These taxes are composed of specified sums demanded directly from the tax-payer.

The "contribution personnelle et mobilière" is composed, as the name indicates, of two distinct taxes—the personal tax (poll-tax) and personal-property tax. The personal tax, as above mentioned, is levied upon all persons having visible means of support. The contribution mobilière (personal-property tax) is the tax on the renting value of houses. This tax was formerly levied on persons, houses, chimneys, servants, and

horses. The majority of these taxes were abolished by law in 1806, and only the personal and rent taxes, which at present are known as "cote mobiliére," were retained.

The personal or prestation tax is rated as three days' manual labor or its equivalent. The average price is estimated by the prefects and submitted to the general council of the departments, who determine the prices for each commune. In preparing the schedule of rates the prefect is limited to sums not exceeding 1.50 francs (29 cents), nor less than 50 centimes (10 cents) per diem. These rates are uniform for all taxed in the same commune and can not be increased by any kind of additional centime tax.

The personal and mobilier tax is demanded of every French citizen and foreigner enjoying his or her rights and not rated as paupers. Widows and women separated from their husbands are considered as enjoying their rights; young men and women of age, or minors having sufficient means of support, whether from personal fortune or from professions, though living with their father, mother, guardian, or trustee. People living in furnished apartments are obliged to pay the mobilier tax, which is estimated at the rent value of the rooms unfurnished.

Direct taxes are based upon two essential points, proportionality and effect on personal income. By proportionality is understood the proportion of taxes each person must pay on the assessed value of property possessed. When the rates of taxes do not increase proportionately with the increase of the fortune of the tax-payer it then forms the progressive tax. In the system of proportional tax, one-tenth on 1,000 francs (that is 100 francs) and 10,000 francs, (1,000 francs) is taken, but in the progressive tax one-tenth on 1,000 francs (*i. e.* 100 francs), and one-fifth on 10,000 francs (*i. e.* 2,000 francs) is taken, etc.

The income tax, as the name implies, is a taxation on the revenue of property of all kinds. It is thus that the land tax directly affects the revenue of the property taxed. Other direct taxes are levied upon the income, no matter from what source derived. As it is difficult for the Government to arrive at the exact income of a tax-payer, taxes are consequently rated upon an estimated income based on the profession and its pecuniary results, number of windows and doors and renting value of improved property.

INDIRECT TAXES.

Indirect taxes are those which are levied without the consent of the individual taxed and are only on certain products of merchandise considered abstractly from the person.

They are enumerated as follows:

(1) Importation and exportation, manufactures, sales, transportation, and entry of articles of consumption from country into towns.

(2) Retailers of tobacco and gunpowder.

(3) Recording, mortgage, court, stamped paper, and postage.

The principle governing the entire tax system of France is that no tax, direct or indirect, can be collected unless formally and annually authorized by law. Consequently each year the law of the budget contains a complete and detailed list of authorized taxes. No new tax or modification of an existing tax can be established except by legislation.

ASSIMILATED TAXES.

There are a large number of taxes collected by means of nominative lists and appropriated for expenses of the Government departments,

arrondissements, communes, public institutions, and authorized communities. These taxes have no generic name, but are designated by the Government as taxes assimilated to direct taxes, and are classified as follows: Inalienable property, parochial roads, dogs, carriages, wagons, horses, public and private billiards, clubs, societies, public halls, verification of weights and measures, and contributions to maintain exchanges and chambers of commerce.

LAND TAX.

During early monarchical periods in France, and until 1790, real estate belonging to nobles and ecclesiastics was exempt from taxation. In November, 1798, a law was passed definitely establishing the assessment and collection of taxes on real estate, no matter by whom held. The tax is levied directly on the net revenue of the property improved or unimproved. As previously mentioned, the two salient features of this tax are, the proportionality and effect on the income. Assessments are made by proportional equality on all property taxed by reason of its taxable revenue, without other exceptions than those decided upon for the encouragement of agriculture, or for the general benefit of society. Another feature presented by the land tax is, that it constitutes an actual tax absolutely independent of other means possessed by the taxpayer. The real estate alone is directly taxed, and the owner is in kind an agent who pays for the property with a portion of its proceeds. Regulations determining the taxable value of income are established by law, and differ according to whether the property is improved or unimproved. The net revenue of land is that which remains to the owner after deducting from the gross revenue the entire expense attending cultivation of the land.

The taxable income is the minimum net revenue calculated on a certain number of years.

ARABLE LANDS.

In forming an estimate of the taxable revenue of arable lands, the assessors ascertain the nature and quantity of crops produced without extra labor or expense, in conformity with the usual custom of the locality. The yield is averaged by the production of fifteen years, excepting, however, the two most abundant and the two most inferior yields. The ordinary yearly yield having been established, the expense attending planting, cultivation, and harvesting are deducted, and the remaining amount is the revenue taxed.

GARDENS AND ORNAMENTAL GROUNDS.

Gardens are rated at their renting value, which is estimated on the same basis as that of arable land, but in no case can it be rated higher.

Land devoted to ornamental purposes, such as parks, avenues, parterres, etc., are rated as superior tillable land.

VINEYARDS.

The estimated value of the production of vineyards is arrived at by the same method employed in arable land valuation. A deduction of 15 per cent., besides the expenses attending cultivation, gathering and pressing the grapes is made. This deduction is allowed in view of the extra outlay for annual trimming of the vines, partial replanting, and nec-

essary labor during the years that the vineyards are non-producing. When the vines only live a certain number of years and replanting is possible or removal necessary to allow the ground to rest for other agricultural purposes, the valuation is as follows:

(1) The quantity and quality of wine produced.

(2) The quality of land on which the vines are planted, and the crop the land might produce if cultivated as arable land.

(3) The life of the vines.

(4) Number of years that the land produced no vines.

ADDITIONAL CENTIME TAX.

In addition to the numerous taxes already mentioned there still exists another, known as the additional centime tax to the direct tax, which is composed of two parts, the principal and additional centimes. They are so named because they have always been levied correlatively with the principal, by reason of so many centimes per franc. The principal and additional centimes differ according to the use for which applied. The principal is levied for the Government needs, while the additional centimes are levied in view of accidental, temporary, or purely local needs.

The additional centimes take the name of general, departmental, or communal, according to whether they are to increase the resources of the Government, department, or commune. There is another category of additional centimes known as additional centimes to aid contributions. These additional centimes are levied for the purpose of establishing relief funds to be applied in cases of fire, floods, storms, etc., and to a certain extent replace taxes that can not be collected. The additional centimes can be added to the entire four direct taxes as well as to one, two, or three of them.

DEPARTMENT CENTIMES.

The councils-general may each year vote additional centimes within a maximum limit. This tax is divided into three classes, the ordinary centimes, special centimes, and extraordinary centimes, according to the requirements of the department for ordinary, special, and extraordinary expenses.

The ordinary expenses of the department are quartering troops, making and repairing roads, maintaining hospitals, prisons, etc.

The special expenses are optional, and are applied for repairing communal roads, surveys, and primary instruction.

The extraordinary expenses are also optional, and do not come under the head of ordinary and special expenses.

COMMUNAL CENTIMES.

The municipal council can vote each year additional centimes for communal expenses, but within a maximum limit fixed by the council-general of the department.

EXPENSES OF COLLECTION.

Added to the total of the communal taxes is 3 centimes per franc for collecting all additional centimes for the benefit of the communes. These 3 centimes, as well as the other additional centimes, are deposited in the treasury of the commune.

ASSESSMENT AND COLLECTION.

The assessment of direct taxes is intrusted to a special service composed of (1) director-general at Paris, (2) eighty-six divisions, distributed in the different departments, but under control of the director-general at Paris. Each division is composed of a superintendent, one inspector, and several controllers. The duty of the controllers is to collect necessary information for preparing the assessment lists. The inspector supervises the controllers. The director transmits all orders from the director-general to the inspectors and controllers, directs the service, regulates the work, and prepares the tax lists.

The collection of taxes is a separate service under the control of the director-general of accounts at Paris, with the following officers in each department: Treasurer-paymaster-general, residing in the principal city of the department; receiver of taxes, residing in the principal town of the arrondissement; and collectors, whose duty is to collect the taxes enumerated in the tax lists. These special officers receive aid and assistance from the authorities of the departments and communes.

Each commune has a mayor, who is charged by the Government with the direction of the commune. A municipal council, composed of citizens elected by the commune, which meet yearly at fixed periods. Special meetings can be called by the prefect. Certain members of the community are appointed as a commission to make valuations upon which the tax lists are based; also to arrange the necessary changes in the rate of taxation of the preceding year, and to give their opinion as to those who claim to have been unjustly taxed. In communes of less than 5,000 inhabitants this commission consists of the mayor, deputy mayor, and five tax-payers. In other communes, of two members of the municipal council and five citizens, formerly appointed by the subprefect, and only two of whom may reside outside of the commune. In communes of less than 5,000 inhabitants, where there are two deputy mayors, the first of these officers is by right the assessor of taxes. This commission should meet yearly, presided over by the mayor or his deputy, and in event of the absence of both by the oldest member. No decision can be reached unless at least five members are present. The commission of an arrondissement or district must be composed of nine members, who hold meetings to deliberate upon matters concerning the arrondissement. Their principal duty, however, is to equalize taxes in the commune. The prefect is an important government officer charged with the administration of a department. The prefecture council is composed of from three to five members, appointed by the Government, who pass decisions upon the complaints of tax-payers and other important questions of the department.

The general council is composed of members, one representative from each canton, elected by ballot. The principal duties of this council are the decision of all matters of moment in the department; to vote the budget; equalize direct taxation in the arrondissements, and to appoint a permanent commission which meets at the prefecture during the intervals of regular session.

Taxation in France is comparable to an insatiable monster, with its covetous eye upon every possible taxable thing. From the poorest creature struggling for daily bread to those enjoying the luxuries of wealth, each pays his mite or portion. Nothing that the city can tax, no industry, profession, trade, or art, is exempt. The very act of dying is an excuse. The right of conveying the body through the streets renders its due to the city, and before the body can be placed in its final rest-

ing-place the city must be paid for the permission of entering the cemetery and opening and closing the grave. Every traveler indirectly pays for the privilege of seeing France. There is not a hotel at which he stops, no article of food or drink supplied him, even the very bed he sleeps upon, but which pays its tribute.

The agricultural class bear the heaviest burden of taxation. First of all, the land pays its heavy tribute; every beast of burden, all cattle, vehicles of every description, and implements are taxed. Nothing that is produced on the farm, from a dozen eggs to a herd of cattle, from a bunch of carrots to a load of grain, but are met at the city entrances by the collectors of "octroi."

The agriculturist in many parts of France to-day is almost identical with his progenitors of centuries ago. He sticks to the sickle and mattock, rejecting the reaper and plow; is content to perform nearly all farm labor by hand power. A strong prejudice, almost amounting to superstition, is evinced by proprietors against any labor-saving machine. In not a few instances land-owners are found growing poorer and poorer because of the heavy drain of taxation, unprofitable and inferior crops, destruction of vines by phylloxera or cryptogamous diseases, so that in many districts land has depreciated one-twentieth in its value of fifteen years ago. Among the principal of the numerous causes of taxation in France is the standing army, averaging one soldier to every twenty inhabitants, maintained, armed, and paid by the Government; the forcing of all youths over eighteen years of age to undergo from three to five years' military service; and the compulsion of all able-bodied men under forty-five years of age to spend annually from twenty-eight days to six weeks in military drill, thus depriving the country of the services of the best producers at the very period when they are most valuable and capable.

GEO. W. ROOSEVELT,
U. S. Consul.

UNITED STATES CONSULATE,
Bordeaux, France, August 17, 1887.

Financial condition of the city of Bordeaux in 1885.

Population		221,305
Annual revenues	francs	8,290,540.00
Value of the centime tax	do	47,269.56
Additional centimes	do	37.00

Financial condition of the communes of the department of Gironde in 1885.

Number of communes		552
Annual revenues	francs	10,172,217
Number of communes taxed (centime tax):		
Less than 15 centimes		28
15 to 30 centimes		52
31 to 50 centimes		172
51 centimes to 1 franc		283
Above 1 franc		17
Total number of communes		552

Financial condition of the department of the Gironde in 1885.

Amount of the departmental centimes tax	francs	91,534.00
The centime tax	do	49.77

	Francs.
The eventual receipts:	
Ordinary taxes ..... francs..	716,157.19
Extraordinary taxes ..... do....	172,590.00
General total ..... do....	888,747.19

Budget of the city of Bordeaux for the year 1886.

Receipts	16,323,211.60
Expenses	15,568,722.05
Surplus	754,489.55
These receipts are composed of:	
Ordinary receipts	9,109,196.26
Extraordinary and supplementary	4,821,896.28
Surplus of the preceding year	2,392,119.06
Total	16,323,211.60
The ordinary receipts are:	
The communal taxes	737,702.85
Water taxes	689,392.91
Bill-posting taxes	606,810.11
Public weights taxes	217,932.58
Octroi taxes	5,358,918.14
Slaughtering taxes	284,849.15
Miscellaneous taxes (on receipts)	1,213,590.52
Total	9,109,196.26
The extraordinary receipts are:	
The additional centime tax for the service of loans	938,789.49
Miscellaneous receipts, side-walks, paving, programmes of loans ..	3,883,106.79
Total	4,821,896.28
The expenses are as follows:	
Ordinary expenses	6,592,000.46
Extraordinary expenses	8,976,721.59
Total	15,568,722.05
The ordinary expenses are:	
Administration and miscellaneous	580,258.22
Octroi	832,790.85
Administrative and municipal police	1,603,824.75
Military and fire department	175,177.98
Public works	1,154,876.66
Public assistance	878,370.36
Primary instruction	786,117.53
Special institutions, lyceum, etc	476,597.36
Religion	19,116.66
Contingent expenses and public holidays	84,870.09
Total	6,592,000.46
The extraordinary expenses are:	
The service of loans	2,657,977.83
Expenses necessary to the making of the programme of loans, work on streets, and improvements on public buildings	6,318,743.76
Total	8,976,721.59

Budget of the department of Gironde.

To meet the expenses of public education, extension and repairs of public roads, general service, obligatory disbursements, guaranty for interest, etc., the department of Gironde has an annual budget, receipts and expenses of about 3,400,000 francs (budget ordinary), and an extraordinary budget of from 1,800,000 to 1,900,000 francs.

ESTIMATED BUDGET FOR 1887.

	Francs.
Estimated receipts	3,481,944.53
Estimated expenses	3,462,670.31

RECEIPTS.

Result of the 26 additional centimes to the principal of land, personal, and personal property taxes	1,453,546.92
Proceeds of the 7 centimes applied for the service of roads	649,174.25
Proceeds of the 4 centimes applied for public education	370,956.71
Possible proceeds, rents, fines, etc	5,475.00
For the assistance of children, fines, Government appropriation, endowments, communal appropriations, etc	96,666.00
For insane asylums, communal appropriations, and donations from families	72,000.00
For infants, Government appropriation	11,000.00
Communal appropriation for the expense of stations for standing stallions	2,260.00
Government appropriation for the lodging of officers in police quarters hired by the department	1,500.00
Board for 15 students of the department at the school of obstetrics	6,750.00
Board for 15 students, not belonging to the department, at the school of obstetrics	8,250.00
Communal appropriation and private subscriptions for keeping in order main roads	283,297.00
Appropriation for keeping in repair by-roads	176,099.10
Appropriation for ordinary roads	13,600.00
Appropriation of the communes for the expenses of the above classified roads	35,000.00
Subscriptions and payments in advance for local railroads	296,375.55
Total	3,481,944.53

EXPENSES.

Obligatory expenses	163,710.00
Maintaining department property in repair	25,850.00
Maintaining roads in good condition	1,858,568.00
Aid for (abandoned) children	388,443.00
Insane asylums	285,000.00
Public assistance, miscellaneous appropriations	66,102.00
Department archives	14,700.00
Encouragement of sciences and arts	48,964.00
Encouragement of agriculture and industry	53,390.00
Commune appropriation	24,600.00
Miscellaneous expenses	130,586.60
Public education	402,756.71
Total ordinary expenses	3,462,670.31

The extraordinary budget amounts to 1,286,133 francs, which is obtained as follows:

(1) By a vote of 12 centimes for work on local roads, payment of loans and interest; (2) by a vote of .77 centimes for the redeeming of the loan authorized by the law of March 19, 1875	1,184,279.30
(3) From the loan to be realized for work on ordinary local roads (law of April 18, 1884)	100,000.00
(4) From contingent receipts	1,853.70
Total	1,286,133.00

GENERAL RECAPITULATION.

	Francs.
Receipts:	
Ordinary budget	3,481,944.55
Extraordinary budget	1,286,133.00
Total	4,768,077,55
Expenses:	
Ordinary budget	3,462,670.31
Extraordinary budget	1,286,133.00
Total	4,748,803.31
Balance remaining	19,274.24

Comparative statement of the ordinary receipts and expenses of the city of Bordeaux for the years 1884 *and* 1885.

ORDINARY RECEIPTS.

Taxes.	1884.	1885.	Increase.	Decrease.
	Francs.	*Francs.*	*Francs.*	*Francs.*
City	723,588.62	737,702.85	14,114.23	.....
Water	659,695.38	689,392.91	29,697.53	.....
Bill posting	604,915.36	606,810.11	1,894.75	.....
Public weights	252,077.76	217,932.58	.....	34,145.18
Octroi	5,481,885.88	5,358,918.14	.....	122,967.74
Slaughtering	288,547.30	284,849.15	.....	3,698.15
Miscellaneous	1,071,478.83	1,213,590.52	142,111.69	.....
Total	9,082,189.13	9,109,196.26	187,818.20	160,811.07
Increase	.....	.....	.....	27,007.13
				187,818.20

ORDINARY EXPENSES.

Administration and miscellaneous	576,324.76	580,258.22	3,933.46	.....
Octroi	847,849.29	832,790.83	.....	14,698.44
Municipal and administrative police	1,472,301.89	1,603,824.75	131,522.86	.....
Military and fire department	165,638.21	175,177.98	9,539.77	.....
Public works	1,228,849.21	1,154,876.66	.....	73,972.55
Public assistance	825,899.59	878,370.36	52,470.77	.....
Public instruction	714,384.90	786,117.53	71,732.63	.....
Special institutions of learning, lyceums, etc	458,092.73	476,597.36	18,504.63	.....
Religious	19,600.00	19,116.66	.....	483.34
Contingent and public holidays	84,037.41	84,870.09	832.68	.....
Total	6,392,617.99	6,592,000.45	288,536.80	89,154.33
Increase	.....	.....	.....	199,382.47
				288,536.80

Statement showing the exact increase of receipts and expenses of the city of Bordeaux, during the period from 1864 to 1885.

Years.	Ordinary receipts.	Ordinary expenses.	Years.	Ordinary receipts.	Ordinary expenses.
	Francs.	*Francs.*		*Francs.*	*Francs.*
1864	4, 604, 151. 70	3, 166, 352. 47	1875	6, 670, 070. 20	4, 497, 646. 40
1865	5, 065, 222. 44	3, 430, 991. 04	1876	6, 937, 031. 21	4, 503, 915. 09
1866	5, 256, 355. 07	3, 517, 869. 98	1877	7, 628, 587. 31	4, 632, 252. 44
1867	5, 284, 099. 15	3, 721, 571. 82	1878	7, 684, 443. 50	4, 629, 832. 00
1868	5, 427, 328. 14	3, 903, 701. 39	1879	7, 963, 291. 50	5, 115, 697. 70
1869	5, 856, 282. 84	3, 793, 081. 52	1880	7, 544, 887. 92	5, 353, 933. 39
1870	5, 431, 673. 21	3, 989, 970. 63	1881	8, 564, 544. 11	5, 886, 340. 75
1871	5, 708, 065. 15	3, 899, 060. 03	1882	9, 204, 278. 22	6, 173. 915. 74
1872	5, 810, 569. 42	3, 966, 368. 22	1883	9, 006, 337. 32	6, 147, 336. 58
1873	5, 992, 385. 32	4, 169, 598. 20	1884	9, 082, 189. 13	6, 392, 617. 99
1874	6, 090, 962. 95	4, 353, 070. 33	1885	9, 109, 196. 26	6, 592, 000. 46

Department of Gironde—Direct taxes and assimilated taxes.

DIRECT TAXES.

Nature of the tax.	Total amount of rolls of 1886.	Produce of extra centimes for expenses of the—	
		Department.	Communes.
	Francs.	*Francs.*	*Francs.*
Land-tax (A):			
Property improved by buildings	3, 529, 690	900, 123	801, 831
Property unimproved by buildings	4, 085, 939	1, 007, 519	1, 043, 892
(This tax is based upon the net revenue of the real property, whether built upon or not; this revenue is fixed by the doomsday-book (Cadastre).)			
Personal and personal property tax (A)	3, 602, 065	828, 563	762, 660
(This tax is composed of: (A) the personal tax representing the value of three days' labor; (B) the personal property tax is based on the renting value of the building.)			
Door and window tax (A)	1, 989, 657	273, 218	443, 292
(This tax is based on the doors and windows opening on the streets, courts, and gardens of the houses, factories, and work-houses.)			
License tax (B)	5, 961, 920	754, 075	1, 164, 681
(This tax bears on trade and industry, and varies according to the professions, the population of the place where said professions are practiced, and the size and importance of the office or building occupied. It is composed of a fixed duty, based on the relative importance of each profession, and of a proportional duty of the renting value of the office or building occupied.)			
Totals of the four direct taxes	19, 169, 280		
Advertising expenses (5 centimes per notice)	21, 508		
Total general of the direct taxes	*19, 190, 788		

The amounts detailed in columns 3 and 4 are included in column 1, which gives the total for the different taxes.

(A) The land tax, personal and personal property tax, and door and window tax are "assessed" taxes. Each year a financial law fixes the amount in principal of each of these taxes to be collected in the department. These amounts are assessed as follows: Among the "arrondissements" (counties), by the council-general; among the communes, by the county council; and lastly, among the rate-payers, by the committee of assessors, under the superintendence of the mayor of the commune, assisted by the controller of direct taxes.

(B) Tax of quality; established from a tariff annexed to the law, including various tabular statements and various classes, according to the nature and importance of the professions.

* This total of 19,190,788 francs includes the principal and the extra centimes of all kinds, general, departmental, and communal, as well as those for the deficiency fund.

TAXES ASSIMILATED TO THE DIRECT TAXES AND COLLECTED TO THE PROFIT OF THE STATE.

Nature of the tax.	Amount of rolls of 1886.	Remarks.
	Francs.	
Mortmain tax. (An annual tax representing the duties on transmission, by deed or by death, of the estates liable to the land-tax and belonging to the departments and communes, such as hospitals, seminaries, nunneries and monasteries, charitable institutions, anonymous societies, etc., and all legally authorized establishments.)	70,865	Tax fixed at 70 centimes per franc on the principal of the land-tax, plus 2½ decimes, that is, 87½ centimes per franc.
Tax on mines. (A fixed duty of 10 francs per superficial kilometer, and a proportional duty of 5 per cent. of the proceeds of the mine.)	.....	No mines in the department of Gironde.
Duty on the verification of weights and measures.	84,379	This duty is fixed by special agents, examiners of weights and measures, and concerns the service of the direct taxes only in what refers to the preparing of the rolls and the inquiries on claims made by the rate payers.
Duty on verifications made at the druggists', herbalists', grocers', and other dealers in drugs.	3,610	
Tax on carriages, horses, and mules used for the conveyance of persons.	311,337	Of this amount, one-twentieth of the principal, representing the sum of 14,763 francs, accrues to the communes.
Duty on public and private billiard tables	31,427	
Tax on the clubs and other assessed societies.	76,185	
Total	577,803	

TAXES ASSIMILATED TO THE DIRECT TAXES AND COLLECTED TO THE PROFIT OF THE COMMUNES.

	Francs.
Prestations in kind for the parochial roads. (Three prestation days for each male individual in health being not less than eighteen years old and not more than sixty years of age, member or servant of the family and residing in the commune, and for each cart or carriage, and, besides, for each beast of burden and saddle or harness horse in the service of the family or of the establishment, in the commune.)	1,499,760
Municipal tax on dogs. (Two classes: (1) Lap and fancy dogs, and sporting dogs; (2) watch-dogs. The tax cannot exceed 10 francs nor be less than 1 franc.)	222,149
Total	1,721,909

BORDEAUX.

[The city of Bordeaux is included in the total amount of the rolls of the 552 communes of the department of Gironde for the amounts that follow.]

	Francs.
Direct taxes:	
1. Land-tax:	
Properties unimproved by buildings	50,133
Properties improved by buildings	2,406,390
2. Personal and personal property tax	1,896,121
3. Door and window tax	1,152,074
4. License tax	4,481,207
Advertisement tax expenses	4,507
Total of the four direct taxes	9,990,433
Assimilated taxes collected for the state:	
1. Mortmain tax	49,197
2. Tax on mines	
3. Tax on the verification of weights and measures	32,036
4. Tax on the verifications at druggists', etc	1,810
5. Tax on carriages, horses, etc	85,183
6. Tax on billiard tables	17,692
7. Tax on clubs, societies, etc	58,312
	244 230

Assimilated taxes collected for the city:	Francs.
1. Prestations in kind for the parochial roads	
2. Municipal tax on dogs	65,429
Total of the four direct taxes	9,990,432
Total of the assimilated taxes collected for the benefit of the Government	244,230
Total of the assimilated taxes collected for the benefit of the city	65,429
Total general	10,300,091

(This total general represents the amount collected in the city of Bordeaux in 1886 for direct taxes and others assimilated to direct taxes.)

[Direction of the indirect taxes of the department of Gironde—accounts—general articles—object-duties and proceeds acknowledged in the department of Gironde and in the city of Bordeaux in 1886.]

HONORABLE SIR: I have the honor to inclose the information concerning the nomenclature of the indirect taxes verified in 1886, both in the city of Bordeaux and in the department, as well as the amount of expenses incurred by the administration of the indirect taxes in the department for the same period.

Independent of the duties collected at the entrance of the city of Bordeaux for account of the treasury, and which figure in column 2, there are others called "municipal taxes," the collection of which is secured by the service of the "régie" or by that of the "octroi" (town dues).

RUELLE,
Director.

Description of the duties.	Duties reckoned in the city and on entering the city of Bordeaux.	Duties reckoned in the department of Gironde.
	Francs.	*Francs.*
Wines, ciders, perries, etc., circulation duty [1]	439,045	1,382,686
Wines, ciders, etc., and alcohols, retail duty [2]		1,022,648
Wines, ciders, etc., and alcohols, entrance duty [3]	303,762	319,550
Wines, ciders, perries, and hydromels, unique tax [4]	1,963,339	2,064,897
Alcohol, general consumption tax [5]	1,556,525	3,367,820
Alcoholized wines, consumption and entrance double tax [6]	38,350	74,925
Ale, beer, manufacture tax [7]		68,051
Vouchers, tax of 40 centimes [8]		363,584
Salt, consumption tax [9]		29,630
Sugars, consumption tax [10]		1,594,759
Oils, entrance tax [11]	67,994	71,310
Candles, manufacture tax [12]		128,287
Vinegars, consumption tax [13]		71,014
Railways, former tax (the one-tenth) and additional tax [14]		6,114,094
Public carriages, occasional and extra services [15]		293,269
Sundry duties:		
Grants [16]		504,127
Stamp [17]		23,474
Conversion of alcohol [18]		22,103
Stamps [19]		435,298
Fishing, ferry boats, fluvial domain [20]		22,580
Playing cards, manufacture tax [21]		22,820
Barracks [22]	20,602	28,584
Fines [23]		168,643
Unreturned permits [24]		60,709
Indemnities to the "octroi" men employed in surveying the conversion or alteration of certain articles [25]		1,365
Recovery of advances [26]		28,963
Interest on credit granted for the post payment of duties [27]		3,538
Eventual receipts [28]		7,169
Tobacco [29]		8,874,800
Gun powder [29]		231,309
Service of the civil pensions [30]		61,700
	4,389,617	27,463,712

[1] This duty is collected at each transportation or removal of wines, ciders, perries, and hydromels delivered to consumers, at the tariffs of 1, 1.50, and 2 francs per hectoliter for wines, according to the departments where sent. The circulation tax on ciders, perries, and hydromels is 80 centimes per hectoliter all over the territory. The authenticated taxes in column 3 represent the amount of the circulation tax applied in the department of Gironde at the time of transportation—both for the quantities which are intended for consumption in the department itself, and for the quantities which are consumed in other departments.

[2] Retail dealers are bound to declare to the clerks of the "régie" the sale price of wines, ciders, perries, and hydromels served in their shops. A tax called "retail tax" is collected at the rate of 12½ per cent. on the sale price. The duty applied to alcohols sold at retail in the grog-shops is the general consumption duty, say 156.25 francs per hectoliter of pure alcohol. An allowance of 3 per cent. is made for waste and family consumption. In towns having a population of more than 10,000

"Régie" expenses in the department of Gironde in 1886.

	Amount.	Remarks.
Salaries of the agents of all rank	720, 712	The expenses concerning the stock (pints, instruments, etc.) are secured directly by the minister of finance. It is not possible to decrease the amount of those expenses for the department of the Gironde.
Rent and office expenses (general service, sugars, distilleries)	64, 137	
Allowance for lodgings and residence	14, 467	
Allowance for traveling expenses, and keeping of horses	40, 253	
Total	839, 569	

souls the retail duty is collected on entrance, and calculated on the average price of the wines as decreed every fifth year.

[3] An entrance duty on wines and liquors is collected in all towns having a population of 4,000 souls or more. The duty to be applied varies according to the number of population of each town, and is divided into seven distinct categories. The entrance duty is demandable for wines and liquors intended to be consumed in the place, either at the time of the introduction or when removed from the warehouses.

[4] The "unique tax" can only be established in towns having an aggregate population of 4,000 souls at least, and then subjected to the entrance duty. It is compulsory in towns where there are 10,000 souls and upwards. This duty, improperly titled "unique" since it does not suppress the circulation tax, is composed of both the entrance and retail taxes; it causes the complete suppression of the verification of goods. Consumers and dealers only form then a unique class of rate-payers. Tariff for Bordeaux: 4.50 francs per hectoliter of wine; 1.51 francs per hectoliter of cider, perry, hydromel.

[5] The general consumption tax is collected at the tariff of 156.25 francs per hectoliter of pure alcohol on any quantity of brandy, of spirits, or of any liquor composed of either.

[6] Wines having an alcoholic strength above 15 degrees are liable to the consumption, entrance, or "octroi" tax on the quantity of alcohol contained between 15 and 21 degrees. Wines having an alcoholic strength above 21 degrees are taxed as pure alcohol.

[7] Duty of 3.75 francs collected at the brewery. No distinction between what is consumed in or out of town.

[8] Tax collected on the vouchers (permits, passes) required for the circulation of liquors and wines in the interior of towns as well as outside.

[9] Tax collected: 10 francs per 100 kilograms. No distinction between what is consumed in or out of town.

[10] Consumption tax of 50 francs per 100 kilograms. No distinction between what is consumed in or out of town.

[11] Entrance tax collected in towns of 4,000 souls or upwards, on vegetable oils, according to a tariff, the rate of which is based on the number of population. In the towns having no "octroi" duties on oils, the tax for the profit of the treasury is also suppressed.

[12] Manufacture tax of 30 francs per 100 kilograms. No distinction between what is manufactured in or out of the town.

[13] Consumption tax of 5 francs per hectoliter of vinegar at 8 degrees and below. The tariff is higher as soon as the strength of the vinegar exceeds 8 degrees. No distinction between what is consumed in or out of town.

[14] This tax represents the twenty-nine one hundred and fifty-fourths of the gross receipts realized by the companies on the transportation of travelers and goods by express. The companies of "midi," "medoc," and "chemins de fer économiques," pay the tax at Bordeaux for the entire extent of their lines.

[15] Various tariffs are used, according to the nature of the transport, the number of places, and the distance traveled. No distinction between Bordeaux and the department.

[16] By grant is meant the authority to undertake a branch of trade or industry which can not be practiced without a previous declaration. Various tariffs include wholesale and retail dealers of liquors and wines, distillers, brewers, converters of alcohols, manufacturers of playing cards, saltpeter, sugar, candles, and vinegar.

[17] Stamp tax for the trying of gold or silver metal. Tariffs: gold 37.50 francs per hectogram; silver 2 francs per hectogram. No distinction between Bordeaux and the department.

[18] Reduced tariff (37.50 francs) applied to the altered or converted alcohol intended for industrial purposes. No distinction between Bordeaux and the department.

[19] Tax of 10 centimes applied to permits and to all the receipts of collected taxes. No distinction between Bordeaux and the department.

[20] Fishing, ferry-boats, and the right to enjoy or let the grounds on the banks of the rivers, are leased by contract. The grants of grounds on the banks of the rivers or canals are made by the prefects upon the decision of the excise and high roads service. No distinction between Bordeaux and the department.

[21] Manufacture tax collected at the rate of 62.5 centimes per pack of cards with the French mark, and 87.5 per pack bearing foreign mark. No distinction between Bordeaux and the department.

[22] Indemnity paid to the Government by communes which profit by the "octroi" duties collected on articles intended for the consumption of the troops quartered in said communes.

[23] This amount refers to fines imposed upon transgressors in consequence of contentious acts. No distinction between Bordeaux and the department.

[24] Payment of the simple, double, or sextuple taxes on the permits that have not been settled owing to the legal delay. No distinction between Bordeaux and the department.

[25] The tax is paid into the treasury by the communes liable to an "octroi," and which are benefited by co-operation of the excise service.

[26] Collection made on account of articles advanced by the Government to manufacturers, traders, etc., such as the special paper forming the upper part of playing cards (the recto side), control books, etc.

[27] Manufacturers of candles, beer, and sugar may discharge their debts by giving bonded security paying 3 per cent. interest per annum. No distinction between Bordeaux and the department.

[28] Unqualified receipts: They are produced by repeal of tax, by moneys consigned for circulation permits and not drawn in the legal delays, etc. No distinction between Bordeaux and the department.

[29] Monopoly of manufacture and sale, various tariffs. No distinction between Bordeaux and the department.

[30] This concerns a deduction of 5 per cent. on the salaries (for forming pensions), a deduction for leaves of absence, punishments, etc.

Explanation of the terms octroi and régie.—The octroi is a kind of custom-house on a small scale (city custom). In order to meet the expenses of towns of importance there is established in such towns a municipal service called octroi. The agents of the octroi are posted at the entrances of the town (a post at each road leading to town; all persons, carriages, and carts entering the town are stopped at the barrier by the agent, who proceeds to collect the duties on such articles as food, wines, liquors, oils, perfumery, fuel, forage, building materials, and sundry other articles, no matter where produced.

The régie is the administration which collects in the interior of towns certain special taxes; as, for instance, when one has to send wine in casks or in cases of more than twelve bottles at a time, he has to take out a pass and permit, which must be paid for.

The difference between the octroi and the régie is that the octroi collects duties on entrance, whereas the régie collects duties on the interior traffic, etc.

TAXATION IN FRANCE.

REPORT OF CONSUL SHACKELFORD.

The system of taxation in France is extremely complicated, and it will be seen from the following details that it is impossible to determine with any degree of accuracy the expense incurred in the collection of taxes.

There are four direct taxes: the "contribution foncière" or land tax, the personnelle mobilière or personal and house tax, the tax upon windows and doors, and the patente or license tax. These are voted upon annually by the legislature. The same body has also the right to impose a supplementary tax, termed "centimes additionnels." A department or commune may obtain permission from the legislature to levy this tax on its inhabitants for special purposes.

The contribution foncière is levied upon the net revenue of the land, whether built upon or not, and is the source of a large income to the state. The dwellings of the agriculturists are not subject to the impôt foncier, and cattle are not specially taxed, but the value of those used in working the ground is estimated, and the contribution mobilière or house tax levied upon them.

The personal assessment and house tax is divided as follows, viz: the state takes 53 per cent., the department 33 per cent., and the commune 11 per cent., the remainder is reserved for relief and exemptions from taxation.

The tax upon windows and doors was established in 1798 as a supplement to the personal tax, and like this last its object is to make all individuals participate in the expenses of the state in proportion to their fortunes, as manifested by the importance of their dwellings; an importance considered as sufficiently expressed by the number of their windows and doors.

The rates of taxation are given in the following table:

Population of the cities or communes.	One opening.	Two openings.	Three openings.	Four openings.	Five openings.	Doors for carriages, stores, court-yard, etc.	Openings on ground floor, and first and second story.	Windows in third story and above.
	Cents.	*Cents.*	*Cents.*				*Cents.*	*Cents.*
Less than 5,000	6	9	18	$0.32	$0.50	$0.32	12	12
5,000 to 10,000	8	12	27	.44	.65	.70	15	15
10,000 to 25,000	10	16	36	.56	.80	1.48	18	15
25,000 to 50,000	12	20	50	.80	1.10	2.24	24	15
50,000 to 100,000	16	25	72	1.04	1.40	3.00	30	15
Above 100,000	20	30	90	1.28	1.70	3.76	36	15

This tax when first established produced a return of 15,000,000 francs to the state from the ninety-eight departments of which France was then composed. This income was greatly reduced by the inaccuracy of the declarations, and the need was felt, in order to obtain a more assured income, of giving to the tax on doors and windows the form of a divisional tax. This change was effected in 1802. The prefects were ordered to divide the amount for each department among the different districts, the subprefects were to divide the district tax among the parishes, and the mayor to prepare a register giving the number of apertures to each tax-payer. These registers are verified by the controller of direct taxes. Openings not closed by windows or doors are not taxed.

Patentes or licenses for professional or business purposes are divided into several classes, according to the nature of the business and the population of the city, and vary from 40 cents to 60 cents per annum. In the city of Nantes, with a population of 125,000, they range from $2.40 to $60. A wholesale and retail dealer in wines, for example, pays $60 for his license, but this by no means covers the whole ground. To this is added 20 per cent. of the rent paid for the premises in which he transacts his business. The tax termed "centimes additionnels" is calculated on these two sums added together. The retail license and other minor charges runs the sum up to $260, and this amount is paid by all wholesale and retail dealers, without regard to the amount of business transacted.

Besides these four direct taxes there are numerous other taxes "assimilées," such as the tax on inalienable property; on carriages, horses, and mules; public and private billiards; on clubs and societies; the verification of weights and measures, and on visits to grocers and druggists, for the purpose of inspecting their stocks, at a charge of 6 and 4 francs per visit.

The direct taxes, commonly known as the excise or inland tax on articles to be consumed, are classed under thirteen heads. The most important of these are wine and liquors.

The departments of France are divided into three classes: (1) Those known as the wine-producing districts; (2) those where wine is only a partial crop; and (3) those where no wine is produced. The taxes are three in number, and vary according to the class of the department and the population of the city. The droit d'entrée or tax on entering a town or city, the tax on transport or circulation, which is repeated every time the wine is moved, and the so-called tax unique. The tax on transport varies from 1 to 2 francs per hectoliter. In localities where the population is under 10,000 the retail tax is 12½ per cent. of the wine or liquor sold. In cities of over 10,000 inhabitants the retail tax and the droit d'entrée are calculated in the tax unique.

Droit d'entrée or tax on entrance.

[Per hectoliter, 26.4176 gallons.]

Population of the district or city.	Wines in bottles or barrels received in a department.			Cider.	Alcohol, pure or in brandy.
	First class.	Second class.	Third class.		
	Cents.	*Cents.*	*Cents.*	*Cents.*	
4,000 to 6,000	8	11	15	7	$1.40
6,000 to 10,000	12	17	22	10	2.25
10,000 to 15,000	15	23	30	12	3.00
15,000 to 20,000	19	28	38	17	3.75
20,000 to 30,000	22	30	45	19	4.50
30,000 to 50,000	26	40	52	23	5.25
Above 50,000	30	45	60	25	6.00

The importation of a cask of wine to Nantes (60 gallons) with the tax on circulation, the tax unique, the octroi, and minor charges, costs from 28 to 35 francs per cask, without regard to the value of the wine. The common wine of the country pays the same charges as the most expensive wines of Bordeaux.

The tax upon beer is fixed at the brewery; 75 cents per hectoliter for strong beer and 27 cents for small beer.

Salt pays a tax of $1 per 220 pounds. When exported or used for agricultural or manufacturing purposes it is exempt.

Sugar, crude or refined, is taxed $10 per 220 pounds, which is decided at the refinery. Glucose, $2 per 220 pounds; sugar used in sweetening wine or cider before fermentation pays $4 per 220 pounds.

The manufacture of chemical matches is a monopoly, and the company having the right pays annually to the Government $3,000,000.

Vegetable oils, whether manufactured in a commune or imported, pay an entrance duty according to population, varying from $1.50 to $3 per 220 pounds.

Candles and tapers: This tax was established in 1871, and is fixed at the manufactory at $6 per 220 pounds.

Public carriages: Railway companies pay to the State 23⅓ per cent. of the net receipts from passenger traffic and 12 per cent. for the transportation of goods per passenger train (grande vitesse). Goods by parcel post are exempt from taxation. Conveyances, either by land or water, exceeding 25 miles, pay 22½ per cent. of their net profits from the conveyance of passengers and 12 per cent. on the transport of goods. The same vehicles for a less distance pay a fixed tax per vehicle per annum; railway wagons pay $1.25 each per annum; four-wheeled carriages are taxed $1.25, and two wheels 50 cents per annum.

Municipal taxes.

Revenue of the city of Nantes for 1886	$940,029.38
Expenditures for the same year	939,831.92
Excess of receipts	197.46

Octroi, or tax on articles entering the city for consumption.

Wine containing not more than 15 degrees of alcohol, in barrels or bottles, per hectoliter (about 26⅓ gallons)		$0.71
Cider, in barrels or bottles	per hectoliter	.44
Alcohol, pure, in brandy or spirits and on fruits	do	4.80
Alcohol, adulterated	do	1.50
Beer	do	1.54
Vinegar of all kinds	do	1.32

Provisions.

Beef, calves, sheep, and goats:		
Alive	per 220 pounds	1.03
Killed and prepared	do	1.98
Lambs and kids:		
Alive	per head	.22
Killed and prepared	per 220 pounds	3.30
Hogs:		
Alive	do	1.76
Killed and prepared	do	2.20
Little pigs (cochons de lait)	per head	.88
Killed and prepared	per 220 pounds	2.20
Sausages, etc	do	2.20
Lard and salted meats	do	1.54
Grease of all kinds	do	1.54
Truffles and game, poultry and pâtés prepared with truffles	per 2.1 pounds	.22
Pâté de fois gras and other pâtés	do	.22
Turkeys	each	.07
Pheasants	do	.13
Geese	do	.03
Pigeons, rabbits, and poultry of all other kinds	do	.02
Fish caught in sea or river	ad valorem	.00½
Prepared	per 2.1 pounds	.05
Oysters	do	.02
Other shell fish	do	.01
Salmon, turbot, trout, lobster, and shrimps	do	.05

Large game, deer, wild boar, and roe buck	per 2.1 pounds	$0.07
Hares	each	.11
Partridges, quails, woodcock, snipe, and water fowls	do	.04
Swan, teal, plovers, and other game	do	.02
Dried fish	per 220 pounds	.22
Cheese of all kinds	per 2.1 pounds	.03
Canned and preserved fruits, olives, and dried fruits	do	.05
Grapes for wine	do	.02
Chestnuts and other nuts	per 2¾ bushels	.22
Oils of all kind	per 220 pounds	4.80
Oranges and lemons	do	2.20
Sardines and other fish in oil	per 2.1 pounds	.02

Fuel.

Wood:		
Not split, for burning	per cubic meter (39 inches)	.33
Split, for burning	do	.22
Tree roots	do	.13
Faggots:		
First class	per 100	.77
Second class	do	.66
Small faggots:		
First class	do	.66
Second class	do	.44
Third class	do	.22
Clean faggots	do	.13
Charcoal	per 220 pounds	.44
Anthracite and soft coal	do	.08
Coke	do	.09
Mineral oils and essences	do	2.40
Candles and tallow of all kinds	do	2.20
White and yellow wax	do	5.50
Spermaceti:		
Refined	do	3.06
Unrefined	do	1.98
Candles, other than wax and tallow	do	4.62

Food for horses and cattle.

Straw of all kinds	do	.16
Oats	do	.44

Materials.

Quicklime	do	.11
Lime and mortar	per 2¾ bushels	.01
All kinds of cement	per 220 pounds	.16
Plaster:		
Crude	do	.22
Prepared	do	.27
Soft and hard building stone	per cubic meter	.40
Tiles of all kinds	per 100	.33
Marble	per cubic meter	3.30
Granite of all kinds	do	.55
Iron, zinc, lead, and copper used in building	per 220 pounds	.20
Slate for roofing	per 1,000 pounds	.44
Wood for joiners:		
Hard	per cubic meter	.88
Soft	do	.66
Timber:		
Hard	do	.77
Soft	do	.55
With bark	do	.55
Without bark	do	.33
Window frames	per 220 pounds	.33
Mirrors with frames	do	2.00

Other articles.

Soap:		
Ordinary	do	2.64
Perfumed	do	6.60
Varnishes of all kinds	do	1.54

Income from octroi tax for April, 1887.

Wines and liquors	$12,825.22
Provisions	17,419.06
Fuel	5,938.50
Hay, fodder, etc	3,765.80
Materials for buildings	2,261.60
Other articles	758.85
Accessory receipts	149.49
	43,118.52

Tariff for privileges on highways.

Articles.	Fixed rates.	Proportionate rates.
Adjusting length of frontage of any building ..... per meter	.....	$1.20
Inclosure walls or fences of any kind for gardens or waste land, length of front per meter	.....	.20
Superstructure for each story ..... length of front per meter	.....	.50
Plaster work.		
Rough casting:		
Graining and finishing ..... per meter	.....	.20
Ground floor ..... do	.....	.08
First story ..... do	.....	.12
Second story ..... do	.....	.16
Third story ..... do	.....	.20
Inclosure walls ..... do	.....	.04
Petty repairs to walls ..... do	$0.60	.....
Minor work and petty repairs.		
Petty repairs to cornices	1.00	.....
Repairing buttress ..... each	1.00	.....
Special repairs to abutments, doors, or windows, openings, borders, or lintels ..... do	.50	.....
Openings for doors or windows ..... do	.80	.....
Closing of an old door or window ..... do	.40	.....
Heightening and lengthening any opening, including fan-lights, border lintels etc., each	.60	.....
Opening a shop window ..... each	1.60	.....
Fixing girder or lintel, separately ..... do	1.20	.....
Fixing wooden uprights to contract doors or windows ..... do	.60	.....
Reconstruction of ornamental panel on front wall of house	1.20	.....
Permission to construct forge, oven, or furnace in a factory	1.00	.....
To build a tall factory chimney	2.00	.....
Space for temporary work.		
Space for barrier in front of a house in process of construction or repairs, including tax on barrier ..... per square meter	.....	.02
Space for contractors' implements or other materials ..... do	.....	.10
Struts, long uprights, etc., for scaffolding ..... each	.60	.....
Excavations for branch drains, repairs or constructions for pipes on highways, per running meter	2.00	.....
Branches for gas or water from existing drains ..... per running meter	.....	.10
Fixing lighting apparatus, outside ..... each	2.00	.....
Mines or quarries.		
Permission to open a quarry near a public road	1.00	.....
Projecting fixtures.		
Stone bases for posts, chains, etc ..... each	1.20	.....
Projecting plinth ..... per running meter	.....	.04
Small balcony in front of window ..... each	.....	.36
Continuous balcony ..... per running meter	.....	.30
Leaning posts (bornes adossées) ..... each	.60	.....
Projecting threshold for shop windows ..... per running meter	.....	1.20
Projecting steps ..... do	1.00	.....
Projecting of wood for gratings in front of butchers' and bakers' shops ..... do	.80	.....
Projecting bars to protect shop windows ..... do	.60	.....
Reflectors to front lights ..... each	.60	.....
Small wheels and pulleys for bakers' shops ..... do	.60	.....
Movable projections.		
Awnings ..... yearly, per running metre	.....	.20
Reflectors in front of shops ..... each	.....	.40
Small tables in front of cafés ..... yearly, each	4.00	.....
Lanterns and transparencies ..... do	.40	.....
Racks in front of clothing stores ..... do	1.00	.....
Flags and signs of all kinds ..... do	1.00	.....
Hooks and lay figures to exhibit goods ..... do	1.00	.....
Outside blinds, screens, etc ..... do	.30	.....
Front doors ..... do	1.00	.....

Income from this tax for 1886, $5,000.

Taxes for places in markets and public streets.

	Per day.	Per month.
Recognized markets of the city.		
Market in the Place Duchesse Anne, an open space 300 feet square in which country produce is offered for sale.....tax per square meter..	$0.02	$0.50
Market in the Place Bouffay. Covered pavilions divided into four equal parts two meters each:		
Saturdays.....tax per square meter..	.10	.....
Sundays and other days.....do....	.04	.....
Fish market, La Petite Holland, consists of closed stalls, 2 by 2 meters, and movable tables:		
For the former, special rates not to exceed.....	.....	3.00
For the movable tables:		
Saturdays.....per linear meter..	.20	.....
Sundays and other days.....do....	.05	.....
Market de Feltre is held under the arcades and in the market house:		
In the former.....per square meter..	.03	.80
In the latter.....do....	.02	.60
Tables for butter venders:		*Per week.*
Saturdays.....	.10	.70
Sundays and other days.....	.05	.....
For temporary occupation.....	.05	.....
A portion of this market is appropriated for grain; each sack left for sale or on storage pays 1 cent.....	.01	.04
Washerwomen using this as a storage place pay for each square meter.....	.02	.....
Other authorized occupants pay per same meter.....	.02	.....
Market of the Place Tuleac:		
Beef and pork butchers with block and pulley:		
Saturdays.....	.60	2.40
Sundays.....	.20	.....
Other days.....	.10	.....
Butter and poultry under cover:		
Saturdays.....	.15	.....
Sundays and other days.....	.05	.....
Entrance fees to the markets.		
Beef and pork.....per 220 pounds..	.20	.....
For fractions of 22 pounds.....	.02	.....
For cattle offered for sale in this market:		
Beeves.....	.15	.....
Cows and heifers.....	.10	.....
Calves.....	.05	.....
Sheep and goats.....	.03	.....
For weighing a calf.....	.02	.....
Straw market.		
Straw and fodder of all kinds exposed for sale.....per square meter..	.10	.....
Bales of the same.....do....	.20	.....
Other markets and taxes.		
Market in the Place Bretagne:		
Old rags and clothes, rusty iron nails and tools, etc:		
Spread out for sale.....per square meter..	.01	.....
On tables.....do....	.02	.....
Market for hides is held provisionally in the corn market; annual subscription, $10.		
Fairs in the Place Viarmes:		
Oxen, cows, horses, and mules offered for sale.....each..	.10	.....
Heifers and donkeys.....do....	.06	.....
Sheep and goats.....do....	.03	.....
Large hogs.....do....	.03	.....
Small pigs.....do....	.01	.....
General rule in regard to the approaches to the market:		
Wheel-barrows pay.....	.01	.....
Hand carts.....	.02	.....
Wagons or carts drawn by one horse.....	.04	.....
Without horse.....	.03	.....
Special taxes.		
On goods or merchandise carried by hand or in a basket, dealers standing in a market or selling on the streets must pay for—		
Rabbits.....per head..	.01	.....
Hares.....do....	.02	.....
Partridges.....do....	.02	.....
Woodcock.....do....	.02	.....
Chickens and one or two pigeons.....do....	.01	.....
Geese.....do....	.02	.....
Turkeys.....do....	.04	.....

Taxes for places in markets and public streets—Continued.

	Per day.	Per month.
Special taxes—Continued.		
On goods or merchandise carried by hand or in a basket, dealers standing in a market or selling on the streets must pay for—		
Pheasants, per head	$0.06	
Waterfowl, do	.02	
Large game, stags, etc., do	.20	
NOTE.—This tax is exclusive of the octroi.		
Women selling fish and vegetables through the streets pay, each	.01	
Hawkers of any kind of merchandise, do	.05	
Each cart laden with hay, straw, wood, or any kind of merchandise standing in the street, pays for the standing room	.10	
Flowers offered for sale, in pots or bouquets, in the streets, per square meter	.04	
Hoops for casks, per row of 12 packets	.03	
Each table or case containing flowers or shrubs and put up by permission of the mayor on the pavement of a café or restaurant, per year, $4		
Benches before cafés, restaurants, and hotels for whatever time they may be occupied, pay for each year, per linear meter, $2		
Articles of every kind placed on the public streets, pay square or cubic meter according to their kind	.01	
Omnibuses, stage-coaches, carts, and cabs of all kinds standing on the highways or places named by the mayor	.05	
A horse, donkey, or mule standing on the highways or places named by the mayor	.02	
Omnibuses, stage-coaches, loading or unloading on the streets, pay per year $1		
Supplementary stages belonging to regular lines and standing incidentally	.05	
Carriages:		
Two horses, per year, $5		
One horse, per year, $4		
Livery-stable cabs, drawn by either one or two horses, standing by permission on the public streets, per year, $3		
Moving-vans standing temporarily on the public streets	.20	
Hand-carts stationed by permission on the street	.03	
Carts of strangers standing by permission in the streets, per square meter	.10	
Push-carts or hand-barrows authorized to stand in places appointed by the mayor, per square meter	.04	
Horses, carts, carriages, and every other article offered for sale at the exchange or in the public streets, each	.20	
This tariff was approved by the prefect on the 19th of July, 1886.		

Income from this tax for 1886.—From the budget of the city of Nantes this tax yielded $29,600.

Service vicinal, or parish road tax.—Every male citizen is obliged to work three days upon the public road or pay the tax, 90 cents. The income is large.

In the budget of the city for 1886 receipts are given from these sources:

Municipal tax upon dogs	$4,600
Abattoir or public slaughter-house	24,900
Tax of 2 per cent. on public sales of fish at the fish market	7,000
From public baths	4,900
From places in the fish market	3,600

And numerous small sums from the rent of chairs, sale of fruit, etc., at the Jardin des Plantes.

In fact everything in Nantes but the air breathed is taxed, and many of these taxes, trifling as they seem, bear heavily upon the working class. The octroi increases the cost of the necessaries of life, and, except for his pay as a day laborer, at every step taken to gain an honest living he is met by a tax.

Under the head of patentes, one of the few direct taxes, the professions pay 15 per cent. of the rent of their dwellings. A lawyer at a rental of 2,000 francs pays 300 francs tax, which, with the "centimes additionels" and other additions the sum is increased to 530 francs. This is no serious matter for a physician or an attorney, but a barber pays in the same proportion, and with him it is a constant struggle to make both ends meet.

The effect of the tax upon projecting steps is seen throughout the city. Nantes abounds in small but comfortable private dwellings, generally two stories only, placed directly on the line of the street with the lower step starting from that line and running up inside the house. This, with an extremely narrow entrance, destroys all architectural effect, and an attractive building is spoiled to avoid paying a tax on outside steps.

Of course there is some grumbling at what to us seems excessive taxation, but the people generally accept it as a necessity.

H. A. SHACKELFORD,
U. S. Consul.

CONSULATE OF THE UNITED STATES,
Nantes, June 10, 1887.

TAXATION IN ROUEN, FRANCE.

REPORT OF CONSUL WILLIAMS.

DIRECT AND INDIRECT TAXES.

The direct taxes are divided this present year very nearly in the following manner:

	Per cent.
In the cities:	
Government	50
Department	34
The commune	9
Unforeseen expenses	1
In the country:	
Government	46
Department	28
The commune	25
Unforeseen expenses	1

The "octroi" tax is particularly disagreeable, and the very sight of an octroi barrier, with its different implements for probing the wagons, penetrating boxes, boring casks, measuring, weighing, tasting, and testing produce subject or not subject to the tax, opening baskets, and even searching pockets, is unpleasant. They have and exercise the right to examine all travelers, on foot or mounted, in private or public carriages, on tram-ways or railroads. A long line of wagons can be seen at many hours in the day awaiting their turn to undergo an examination and the most minute adjustment of the octroi dues upon their contents. Nor is this the worst feature; by increasing the cost of the necessaries of life which these articles strike, they decrease the buying capacity of the workman and consequently diminish his capacity for work. There is no more duty on the choice morsels of meat of the rich man than the rough meat of the poor man. His cider pays its tribute, and the common wine of a few sous per bottle is taxed as much as the choice vintages of Chambertin, Mesigny, Sauterne, or Chateau Margaux. The expense of collecting this tax is necessarily great. At Amiens it is 11 per cent.; others nearly 20 per cent. At Rouen it is 17 per cent. The reason of this excess is there are so many different modes of entering Rouen, both by land and water, many more offices and officers are required.

CHAS. P. WILLIAMS,
U. S. Consul.

UNITED STATES CONSULATE,
Rouen, France, May 19, 1887.

General statement of assessed taxes.

Departments.	Real estate.	Personal taxes.	Doors and windows.	Licenses.	Tax on first notice to tax-payers.	Total.
1873.						
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	6,180,745.46	1,105,434.74	1,025,896.42	1,518,497.67	13,886.45	9,844,460.94
Nord	10,454,143.72	3,446,927.86	3,341,977.71	10,302,608.33	24,450.95	27,570,108.57
Pas-de-Calais	6,815,048.87	1,662,503.67	1,529,143.72	2,957,557.87	20,066.45	12,984,410.58
Seine-Inférieure	10,717,219.91	3,077,615.07	2,448,311.11	7,236,267.04	16,029.75	23,496,342.88
Somme	6,343,036.69	1,424,611.88	1,408,185.00	2,539,420.42	19,716.95	11,734,971.93
1883.						
Eure	6,220,709.42	1,184,285.58	1,053,143.62	1,071,255.50	13,548.40	9,542,942.52
Nord	12,104,652.60	4,651,521.48	4,375,872.08	9,772,292.85	27,098.95	30,931,437.96
Pas-de-Calais	7,509,451.51	2,048,545.98	1,896,470.16	2,782,695.67	20,551.65	14,257,714.97
Seine-Inférieure	11,793,390.74	3,508,296.11	2,794,492.22	5,729,894.97	16,505.35	23,842,579.47
Somme	6,851,292.46	1,669,312.81	1,581,744.96	2,058,874.88	19,707.05	12,186,932.16

Excise revenue.

Departments.	Beverages.	Salt.	Sugar.	Matches.	Chickory.	Paper.
1873.						
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	4,556,175.95	.....	20,112.75	2,633.64	484.47	227,487.37
Nord	18,250,698.86	4,947.00	14,791,082.77	258,174.47	3,607,749.61	231,134.01
Pas-de-Calais	10,896,075.08	.....	1,297,216.24	42,523.78	147,505.02	487,028.93
Seine-Inférieure	15,587,427.84	.....	5,814,089.58	40,379.52	10,153.78	166,285.05
Somme	3,224,241.69	.....	350,486.88	28,384.13	32,912.42	171,146.91
1883.						
Eure	5,887,315.61	.....	2,210.00	.....	.....	121,169.19
Nord	23,371,531.29	116.40	6,317,849.10	.....	.....	567,923.70
Pas-de-Calais	14,021,639.36	.....	15,959.12	.....	.....	249,144.20
Seine-Inférieure	21,430,260.79	.....	1,233,901.96	1,214.40	.....	211,761.91
Somme	10,182,248.43	.....	791,672.88	.....	.....	75,108.00

Departments.	Public vehicles.	Miscellaneous.	Tobacco.	Gunpowder.	Total.
1873.					
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	31,842.39	255,089.16	3,455,033.01	79,352.55	8,628,212.39
Nord	303,898.73	2,369,138.89	10,173,178.12	270,072.30	50,260,074.76
Pas-de-Calais	68,340.48	978,877.90	6,572,798.10	297,940.65	20,788,306.27
Seine-Inférieure	212,573.11	1,165,824.52	9,791,657.35	322,204.60	33,110,598.35
Somme	53,920.19	769,859.03	3,780,475.94	110,116.05	13,521,543.84
1883.					
Eure	27,744.72	244,828.81	4,294,162.74	120,607.60	10,723,359.96
Nord	181,056.61	1,946,735.71	12,842,698.37	108,528.15	45,535,006.12
Pas-de-Calais	279,038.14	795,689.16	7,415,220.04	123,161.28	23,761,739.04
Seine-Inférieure	155,007.28	1,047,699.00	12,145,378.46	1,475,060.15	37,864,810.51
Somme	31,994.12	643,354.54	4,651,450.42	131,255.00	17,124,299.07

Local roads.

Departments.	Annual expenses.						
	Maintenance.		Construction.		Other expenses.	Total, 1874.	Total, 1883.
	Labor and material.	Money.	Labor and material.	Money.			
1874.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	497, 879	692, 711	112, 422	493, 518	225, 687	2, 022, 217	2, 320, 168. 92
Nord	1, 013, 272	1, 795, 235	409, 046	4, 634, 504	713, 074	8, 555, 131	7, 921, 750. 06
Pas-de-Calais	619, 830	1, 840, 533	56, 343	1, 191, 856	924, 188	4, 132, 759	5, 183, 033. 41
Seine-Inférieure	557, 249	1, 154, 136	44, 904	579, 785	495, 962	2, 892, 036	3, 744, 360. 92
Somme	159, 553	1, 390, 661	91, 843	446, 553	262, 525	2, 350, 935	2, 926, 341. 83

Departments.	Annual resources.				Work done in 1874.		
	Communes.	Grants and particular gifts.	Subsidies from departments and the state.	Total resources.	Extent cared for by state.		Length of roads in construction.
					Maintenance.	New roads.	
1874.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Kilos.*	*Kilos.*	*Kilos.*
Eure	1, 356, 612	12, 073	606, 700	1, 975, 385	106	1	5
Nord	5, 772, 826	317, 525	2, 529, 700	8, 620, 111	241	70	148
Pas-de-Calais	2, 500, 866	303, 315	1, 241, 907	4, 046, 088	255	20	56
Seine-Inférieure	1, 825, 515	34, 770	1, 049, 587	2, 909, 872	129	16	34
Somme	1, 653, 742	149, 113	569, 898	2, 372, 753	76	.....	19

Bureau of charities.

Departments.	No. offices.	No. individuals helped.	Receipts.				
			Net revenue of offices.	Ordinary and extraordinary tax on communes.	Receipts arising from public and private charity.	Other receipts.	Total.
1875.			*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	175	3, 876	86, 468	36, 305	83, 984	138, 719	345, 476
Nord	637	217, 891	2, 383, 259	729, 467	233, 455	1, 443, 699	4, 789, 880
Pas-de-Palais	592	57, 288	771, 027	254, 582	75, 836	380, 443	1, 481, 888
Seine-Inférieure	389	36, 763	203, 298	478, 474	421, 103	238, 247	1, 341, 122
Somme	321	21, 013	360, 569	144, 847	60, 886	215, 301	790, 603
1883.							
Eure	199	4, 660	101, 209	32, 698	87, 839	226, 814	448, 560
Nord	640	244, 735	3, 045, 225	1, 131, 296	243, 803	1, 464, 824	5, 885, 148
Pas-de-Calais	600	70, 892	884, 482	320, 774	137, 572	647, 621	1, 990, 449
Seine-Inférieure	390	31, 141	254, 501	451, 995	366, 683	314, 110	1, 387, 289
Somme	383	17, 679	411, 880	190, 663	57, 317	282, 515	942, 375

Bureau of charities—Continued.

Departments.	Expenses.				Investments.	
	Expense of administration.	Relief in kind.	Relief in money.	Total.	Real estate.	Bonds.
1875.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	24,733	157,076	9,976	191,788	4,246	50,109
Nord	394,248	2,205,620	459,454	3,059,322	54,598	301,872
Pas-de-Calais	210,949	727,067	71,346	1,009,362	41,750	60,301
Seine-Inférieure	78,379	924,920	39,013	1,042,312	19,770	252,986
Somme	100,708	364,861	50,109	575,678	214,880	387,346
1883.						
Eure	44,725	204,165	27,457	276,346	1,800	222,525
Nord	844,976	2,532,925	578,280	3,956,181	30,491	849,773
Pas-de-Calais	280,594	1,005,698	193,652	1,480,944	.....	76,703
Seine-Inférieure	131,059	926,034	66,234	1,123,366	877	53,677
Somme	145,167	431,811	32,525	609,503	4,346	93,158

Special taxes in addition to direct taxes.

Departments.	Annual taxes on estates.	Rents of mines.	Verification of weights and measures.	Tax on druggists.	Horses and carriages.	Billiards.	Clubs, societies, etc.	Total.
1873.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	24,908.65	.....	15,549.46	8,072.00	182,413.05	7,728.00	6,930.70	245,632.46
Nord	165,317.28	309,206.12	120,766.16	22,986.00	342,424.52	29,935.40	87,031.36	1,077,666.84
Pas-de-Calais	74,232.09	307,196.17	35,445.78	10,080.00	161,591.07	11,319.15	14,382.06	614,286.92
Seine-Inférieure	94,671.73	.....	42,436.00	5,274.00	340,887.67	20,894.05	37,839.22	542,002.07
Somme	89,022.72	.....	32,868.82	12,540.00	213,897.96	19,446.05	11,249.50	379,025.14
1886.								
Eure	32,619.17	.....	83,993.87	6,458.00	215,687.73	8,539.40	3,821.50	351,119.67
Nord	214,531.50	232,614.97	291,024.96	27,964.00	350,616.00	35,257.20	58,010.69	1,210,019.32
Pas-de-Calais	90,099.70	689,540.56	103,526.88	11,378.00	183,326.23	14,974.25	11,179.74	1,104,025.45
Seine-Inférieure	149,092.54	.....	131,971.70	5,780.00	343,208.85	22,276.55	26,642.64	678,972.28
Somme	99,388.19	.....	82,565.72	14,610.00	220,716.95	20,820.50	8,378.30	446,539.66

Resources and expenses for primary instruction.

Departments.	Resources from obligatory taxes.			
	Gifts and legacies.	Product of 4-centime tax on commune.	Grants of departments.	Grants of the state.
1882–'83.	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	8,863.50	197,715.60	151,836.20	521,429.08
Nord	.....	443,346.92	313,600.00	2,301,074.18
Pas-de-Calais	8,732.92	249,256.72	203,746.13	1,442,243.04
Seine-Inférieure	36,456.00	318,819.75	201,294.11	1,257,989.00
Somme	.....	235,383.13	143,715.35	1,369,306.80

Resources and expenses for primary instruction—Continued.

Departments.	Resources applicable to buildings and printing.				Supplemental appropriation voted by communes.	
	Total resources.	One-fifth of communal revenues.	Grants of the state.	Total.	For excess of 4 centimes and ordinary revenue.	From optional centime tax or extraordinary.
1882-'83.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	879, 844. 44	3, 682. 00	7, 823. 00	11, 505. 00	.....	.....
Nord	3, 058, 021. 10	302. 00	6, 371. 00	6, 673. 00	166, 510. 32	459, 851. 28
Pas-de-Calais	1, 903, 978. 36	11, 060. 00	436. 00	11, 490. 00	65, 030. 49	.....
Seine-Inférieure	1, 814, 558. 95	9, 191. 60	27, 142. 00	36, 334. 00	.....	253, 828. 62
Somme	1, 748, 405. 28	35. 543. 51	9, 126. 00	44, 669. 51	30, 674. 01	60, 096. 28

Number of octrois—Population subject to octrois in each department.

Departments.	No. octrois.	Population subject to octroi.	Cost of collection.	Net proceeds.	Wine in barrels and bottles.		Cider, perry, and mineral waters.	
					Quantity.	Octroi charges.	Quantity.	Octroi charges.
1875.			*Francs.*	*Francs.*	*Hecto's.*	*Francs.*	*Hecto's.*	*Francs.*
Eure	32	83, 671	96, 920	586, 254	40, 377	47, 673	164, 911	69, 686
Nord	65	693, 352	846, 842	8, 509, 584	147, 612	836, 410	6, 818	6, 782
Pas-de-Calais	25	197, 760	266, 197	2, 152, 230	50, 751	153, 232	6, 112	5, 261
Seine-Inférieure	11	58, 498	104, 477	862, 181	136, 638	175, 736	6, 366	3, 808
Somme	8	100, 399	183, 273	1, 237, 133	45, 266	167, 214	34, 269	33, 405
1886.								
Eure	31	74, 528	108, 875	674, 970	89, 210	41, 339	185, 026	75, 437
Nord	68	775, 030	1, 225, 385	10, 856, 561	136, 715	790, 771	4, 251	3, 755
Pas-de-Calais	28	239, 733	354, 615	3, 386, 024	57, 289	162, 840	13, 124	10, 097
Seine-Inférieure	23	353, 507	982, 582	7, 626, 914	139, 103	617, 507	356, 003	335, 143
Somme	8	112, 196	243, 766	1, 635, 779	45, 960	174, 468	33, 082	35, 790

Departments.	Alcohol.		Other liquids.	Food.	Fuel.	Forage.	Building material.	Miscellaneous.	Sum total collected.
	Quantity.	Octroi charges.							
1875.	*Hecto's.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
Eure	8, 543	48, 006	25, 169	275, 850	97, 631	45, 359	72, 259	2, 160	683, 793
Nord	34, 459	675, 161	3, 164, 013	2, 269, 984	830, 523	374, 434	1, 043, 446	125, 416	9, 827, 169
Pas-de-Calais	19, 273	298, 005	705, 032	714, 894	370, 511	63, 495	173, 963	24, 084	2, 418, 477
Seine-Inférieure	3, 226	26, 608	59, 503	343, 189	147, 191	118, 191	87, 390	5, 039	966, 658
Somme	11, 169	218, 394	143, 332	487, 826	135, 137	88, 660	139, 632	6, 811	1, 420, 411
1886.									
Eure	10, 336	65, 392	37, 869	311, 722	117, 352	51, 223	79, 347	7, 335	786, 512
Nord	43, 127	903, 287	4, 397, 000	2, 523, 762	1, 077, 893	513, 093	1, 309, 191	63, 275	11, 581, 945
Pas-de-Calais	25, 990	317, 939	1, 012, 537	938, 400	590, 696	112, 811	555, 995	48, 323	3, 740, 638
Seine-Inférieure	78, 858	1, 700, 914	451, 642	2, 258, 191	1, 191, 934	593, 663	1, 329, 335	141, 880	8, 610, 209
Somme	13, 185	254, 220	187, 016	582, 835	240, 848	150, 884	244, 561	7, 420	1, 878, 032

Financial condition of cities of more than 20,000 inhabitants.

Names of cities.	Population.	Area.	Annual revenue.	Amount of centime tax.	Centime tax, ordinary and extraordinary.			Revenue of bureau of charities.
					Total number.	Of which are extraordinary.	Duration of time of extraordinary.	
1878.		*Hectares.*	*Francs.*					*Francs.*
Lille	162,755	1,566	4,632,738	25,381.46	27	10	1878	511,901
Rouen	104,902	1,814	3,946,625	23,191.42	40	5 20	1883 1880	17,915
Roubaix	83,661	1,275	2,076,980	10,651.07	37	10 10	1880 1883	120,418
Amiens	66,896	5,005	1,512,095	11,394.84	31	10	1921	127,702
Tourcoing	48,634	1,509	866,154	1,112.00	45	20	1888	84,706
Boulogne-sur-Mer	40,075	776	1,296,524	5,507.03	25	10	1883	62,767
Dunkerque	35,071	247	815,844	4,179.23	24	10	1873	36,406
Douai	26,999	1,674	683,038	3,410.47	25	10	1881	67,275
Calais	25,583	2,696	390,060	2,654.47	9	10	1881	27,360
Elbeuf	22,213	1,570	438,675	5,170.49	58	15 5 12 10	1894 1882 1880 1891	7,905
Dieppe	20,333	535	705,730	2,612.03	41	20 3	1880 1878	439
1885.								
Lille	178,144	2,110	5,923,172	28,505.60	30	20	.....	613,924
Rouen	105,906	1,814	4,330,311	23,331.00	40	27	.....	269,894
Roubaix	91,757	1,275	2,776,561	11,969.00	35	20	.....	176,254
Amiens	74,170	5,005	2,071,836	11,876.00	36	20	.....	81,306
Tourcoing	51,895	1,509	2,136,252	6,322.00	38	20	.....	142,491
Boulogne-sur-Mer	44,842	776	1,474,559	5,761.00	33	18	.....	88,000
Dunkerque	37,328	247	1,319,437	4,321.00	32	20	.....	83,280
Douai	29,177	1,674	703,225	3,548.00	30	14	.....	74,079
Calais	33,290	2,696	894,369	4,329.00	15	.....	.....	74,494
Elbeuf	23,152	1,570	503,970	4,618.00	53	39	.....	94,029
Dieppe	22,003	525	800,978	2,838.00	40	25	.....	44,220

City of Rouen, France.

YEAR 1886.

Population	100,091
Floating population	7,072
Total	107,163
Amount of assessed taxes, collected by the state:	**Francs.**
Real estate	766,160.00
Doors and windows	349,623.00
Personal and chattels	397,279.00
Licenses	764,067.79
Total	2,277,129.79
Ordinary receipts:	
Result of taxes and fines	42,650.00
Result of communal property	103,512.95
Rents	19,437.54
Octroi, abbattoirs, etc	3,778,977.71
Bill posting	100,000.00
Highways	61,792.11
Schools	105,833.01
Various sources	164,701.00
Total ordinary receipts	4,755,903.32
Total extraordinary receipts	1,701,148.00
Total general receipts	6,457,052.32
Assessed taxes as above	2,227,129.79
	8,684,182.11
Less one-tenth of assessed taxes collected by the state refunded	222,712.97
Amount of taxes paid	8,461,469.14

	Francs.
Amount of ordinary expenses:	
Administration, police, octroi, abbattoirs, markets, etc	1,199,758.70
Maintenance of property, health, highways and water service, cemeteries, gardens, and squares	837,784.65
Fire and military and veterans	87,346.00
Public charities	821,572.25
Fine arts and public instruction	908,840.14
Churches	9,600.00
Various expenses	13,213.04
Pensions and assistance	167,916.27
Fêtes and public ceremonies	25,000.00
Total ordinary expenses	4,071,631.05
Amount of extraordinary expenses:	
Printing, work on roads, telephone, post, and telegraph, and new school buildings	2,386,031.27
Total	6,457,052.32
Debt of the city, due from 1887 to 1895	46,374,685.98

Of which 2,257,834.96 is due in 1887. This is provided for as follows: Tax of 25 centimes per 100 francs; extra tax on alcohol; one-tenth of octroi receipts; balance from ordinary revenue.

City of Rouen, France—Continued.

YEAR 1886—Continued.

Property belonging to the city of Rouen:*	Francs.
Barracks	1,918,180.00
Station houses	67,000.00
Octroi offices	91,500.00
Various	7,048,000.00
Schools	3,739,225.00
Infants' homes	508,735.00
Scientific establishments and museums	2,850,000.00
Timber yards and docks	861,500.00
Markets	2,480,000.00

Property belonging to the city of Rouen—continued.	Francs.
Water supply	386,500.00
Communal buildings	2,122,500.00
Public gardens	1,717,400.00
Cemeteries (16)	1,037,100.00
Rectories (11)	280,000.00
Churches (14)	8,684,735.00
News stands, and booths for guardians of parks, etc	38,000.00
Total	33,830,575.00

City of Dunkerque, France.

YEAR 1886.

Population	34,790.00
Ordinary receipts:	Francs.
Communal centime tax	49,455.80
Octroi, markets, abbattoirs, etc.	1,241,850.00
Legacies, donations, funerals, etc	65,274.00
Total ordinary receipts	1,356,579.80

Extraordinary receipts:	Francs.
Additional centime tax	95,934.21
Divers sources	52,768.00
Traffic of the port	9,250,000.00
Total extraordinary receipts.	9,398,702.21
Ordinary receipts	1,356,579.80
Extraordinary receipts	9,398,702.21
Total general receipts	10,755,282.01

YEAR 1887.

Population	35,071.00
Ordinary expenses:	Francs.
Administration, police, octroi	551,479.22
Care of communal property, health, safety, roads, water service, etc	252,898.00
Barracks for military	8,400.00
Charities, pensions, etc	156,438.00
Public instruction, fine arts, museums, etc†	304,004.06
Churches	3,800.00
Public fêtes	17,000.00
Total ordinary expenses	1,293,819.28

Extraordinary expenses:	Francs.
Additional for salaries	17,405.00
New roads and buildings	92,700.00
Repayment of loans for communal work	87,556.00
Additional for charities	13,721.29
Fór works for improving the port	9,250,000.00
Total extraordinary expenses.	9,461,382.29
Ordinary expenses	1,293,819.28
Extraordinary expenses	9,461,382.29
Total general expenses.	10,755,201.57

*Among the buildings belonging to the commune is the opera house, valued at 2,800,000 francs. A bounty of 190,000 francs was given by the city for the maintenance of opera in 1886. Among the churches, the beautiful one of St.-Ouen, valued at 3,600,000 francs.

†Included in the appropriation for fine arts appears that of 22,000 francs to assist the theater.

TAXATION IN THE CITY OF MARSEILLES AND ITS DEPARTMENT.

REPORT OF CONSUL MASON.

The federal assembly of France, at each annual session, enacts what is known as the budget, or law of finance, which estimates and makes provision for all expenses of the national Government. In addition to these national revenues, taxes are levied and collected for the maintenance of the several departmental and municipal governments, and the system by which all the various forms of taxation are adapted to these three branches of administration, and the aggregate burden adjusted to the means of all classes of tax-payers is one of the most complex and ingenious that has ever been devised.

Under this system taxes are divided into three general categories, viz, direct, assimilated, and indirect contributions, as follows:

The direct contributions—so called because they are paid by the citizen directly to the representatives of the Government—are four in

number, viz, taxes on real estate, taxes personal and on rents, taxes on windows and doors, and business licenses.

The amount of revenue to be derived from these four sources is estimated and fixed by the budget of each year, and forms what is termed the principal, upon which is based the second or flexible element of the direct contributions known as "additional centimes," which will be hereinafter described.

The second group, called assimilated taxes, includes principally Government royalties on mines, taxes on clubs and societies, fees for official inspections of certain classes of retail merchants, and verification of weights and measures, taxes on horses, carriages, and dogs, licenses to sportsmen, revenue stamps on drafts, checks, and receipts, and a large group of special imposts known as "*Droits d'Enregistrement*," or fixed taxes, upon all legal and commercial documents and processes. So far does this branch of the system extend that every railway baggage-check and every passage ticket costing more than $2, pays a tax of 2 cents to the national treasury.

The indirect contributions include all the duties on imports; the régie, a special system of taxation, applied to wines, alcohol, liqueurs, and tobacco, also to playing cards, salt, stearic candles, mineral oils, etc.

Taking these divisions of the subject in their natural order, we return to the direct contributions.

THE DIRECT CONTRIBUTIONS.

Taxes on real estate (*impôt foncier*).—These are imposed upon all lands and buildings not specially exempt by law, and are based upon the average productiveness of the property in rents or produce during a series of years, less the cost of maintenance, ordinary repairs, and cultivation. For this purpose lands are divided into five and buildings into ten categories, according to their comparative values, uses, and the aggregate population of the communes in which they are located.

Buildings are taxed only from the third year after their construction, and in case of vineyards one fifteenth of their value is exempted to offset the gradual perishing of the vines and the cost of their necessary replacement. Taxable valuations on real estate are fixed by official assessors aided by committees of citizen appraisers, appointed for that purpose.

Taxes on person and rents (*personnelle mobilière*).—This, the second of the direct contributions, includes two elements: first, a capitation or poll tax of from 30 to 85 cents upon all citizens of either sex who have an occupation and enjoy civil rights in France. In some cities and towns which have the octroi system the poll-taxes are suppressed, and an equivalent amount is paid collectively by the municipality from the proceeds of the octroi. This capitation tax alone, of all the direct contributions, is not subject to increase by the levying of additional centimes.

The second element, "mobilière," or tax on rents, is a direct annual levy of a fixed percentage upon the rental paid for all furnished apartments or dwellings except those occupied by officers of the army or other public officials or other persons exempt by law.

The national budget of each year specifies the sum that shall be raised from this tax in each department. The council general apportions this sum among the several communes, according to their popu.

lation and wealth. In each commune a commission (composed in Marseilles of the mayor, deputy mayor, ten tax-payers, and the city controller) ascertains the number of persons under their jurisdiction subject to this tax and fixes the rate per cent. to be imposed upon rents in order to obtain the prescribed revenue. In Marseilles the fixed rate for 1886 was 19.78 per cent., and this contribution is always subject to further increase by additional centimes. In cases of tax-payers who live in their own houses, the commission estimates the rentable value of the premises and the tax is assessed thereon. Of the entire sum collected by this tax in Marseilles 50 per cent. goes to the national treasury, 30 per cent. to that of the department, and the remainder to the city.

Taxes on doors and windows.—Under this class are included fixed taxes imposed on each exterior door and window in any building occupied as a dwelling or for purposes of business.

For the purposes of this impost, buildings are divided into six classes, according to the population of the commune in which they are situated. The more populous the commune the higher the rate of taxation.

Marseilles, a city of the first class, is subject to the maximum rate, which, by the tariff, is as follows:

For buildings with—	
One opening	$0.20
Two openings	.30
Three openings	.90
Four openings	1.28
Five openings	1.70
For buildings with six or more windows and doors the rate is:	
Each large double-entrance (porte cochére)	3.75
Each single door and window of first, second, and third stories	.36
Each window of fourth or higher stories	.15

These are the fixed rates which are subject to increase by the percentage of additional centimes imposed for any specified year upon this contribution.

The fourth and most important class of direct contributions is that of business licenses (patentes). This tax was established as long ago as 1791, but the law has since undergone numerous important modifications, the last of which dates from 1885.

Under the present act all persons, native or alien, who exercise in France any independent commercial or industrial avocation or liberal profession are subject to a yearly license tax for themselves and their employés, and for this purpose they are divided into four schedules, according to the nature of their business, viz: (A) Retail merchants and wholesale and retail merchants and artisans who employ workmen; (B) Bankers, brokers, and négociants, *i. e.*, wholesale traders, importers, and exporters; (C) Manufacturers; (D) Liberal professions, viz, lawyers, physicians, etc.

Agriculturists are not subject to the license tax so long as their business is confined to the raising and selling of their own produce. The other exemptions are painters, sculptors, and engravers who sell only the products of their art, editors of periodicals, professors of science and letters, fishermen, captains of merchant vessels in which they own no interest, street peddlers, and artisans who work at home unassisted by hired workmen or apprentices. Commercial travelers who sell by sample are likewise exempt if they are of French nationality, but those of foreign citizenship are assessed the same license as French salesmen are compelled to pay in their respective countries. This ranges from

$4 per annum in Belgium to $42 in Denmark, $23 in Spain, and $130 in Sweden.

Schedule A in the above classification is the most important and complicated of the four divisions under the license law. Under this head are classed retail merchants and artisans who employ workmen (and who are classified entirely apart from the manufacturers in Schedule C). Tax-payers under Schedule A are divided into eight subclasses according to the nature and supposed lucrativeness of their business. These subclasses are again divided into nine categories, according to the population of the commune in which the licentiate is located.

Thus, a merchant (subclass No. 1) pays in Paris a fixed license tax of 400 francs; in Marseilles, 300; in Toulon, 240; and so on down to 35 francs in a commune having less than 2,000 inhabitants.

A coal dealer (subclass No. 5) would pay in the same cities 50, 40, 30, and 7 francs, respectively, as will appear from the following table:

	Class 1.	Class 2.	Class 3.	Class 4.	Class 5.	Class 6.	Class 7.	Class 8.
	Francs.	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*	*Francs.*
In Paris	400	200	140	75	50	40	20	12
In communes of—								
More than 100,000	300	150	100	75	50	40	20	12
50,000 to 100,000	240	120	80	60	40	32	16	10
30,000 to 50,000	180	90	60	45	30	24	12	8
20,000 to 30,000	120	60	40	30	20	16	8	6
10,000 to 20,000	80	45	30	25	15	10	8	5
5,000 to 10,000	60	40	25	20	12	8	5	4
2,000 to 5,000	45	30	22	15	9	6	4	3
2,000 and less	35	25	18	12	7	4	3	2

All this relates to the fixed element of the license tax, which is imposed equally upon all persons exercising their avocations under the same conditions.

But licentiates in all four schedules are subject to another tribute called the "proportional tax." This is a specified percentage on the rentable value, first, of the tax-payer's residence; secondly, on that of the buildings or property occupied by his business.

This proportional tax is as follows: For tax-payers of the first, second, and third classes under Schedule A, 5 per cent. of the rentable value of their residence, and 2½ per cent. of the rentable value of their business premises. For subclasses 4, 5, and 6 of the same schedule, the proportional tax is 3 per cent. of residence rents and 2 per cent. of business rents.

Under Schedule B (bankers and brokers) the proportional tax is 10 per cent. of the rentable values of both residence and business property.

Manufacturers under Schedule C are divided into five classes, according to the nature, extent, and profit of their business, and are assessed as proportional tax to 4, 3, 2, or 1 per cent. of their rents accordingly.

In addition to this proportional tax manufacturers pay certain fixed taxes on their equipment, or on the workmen employed, or both; bankers, brokers, and merchants pay fixed taxes varying from 5 to 50 francs on each clerk or employé in excess of the number of five.

Tax-payers exercising liberal professions (under Schedule D) are only subject to a proportional tax of one-fifteenth of the rent paid for their residence and office.

Such are the fixed and proportional taxes as derived from the four direct contributions.

Exclusive of the additional centimes which were added more or less to the principal of each direct contribution, the amount of fixed revenue which was collected in Marseilles during 1886 from each of these four sources was:

	Francs.
Taxes on real estate	1,540,270
Personal and taxes on rents	1,182,708
Doors and windows	763,445
Business licenses	2,308,508
Total	5,794,931

But the revenues raised by this method, even when supplemented by the proceeds of the various assimilated and indirect contributions, have long been found insufficient for the purposes of the Government. To increase the product of the direct contributions by a flexible system that may at any time be adjusted to the condition of the people and the necessities of the state, there has been devised the system known as "additional centimes," the operation of which is as follows:

When the state requires an additional sum of money for any stated purpose it is provided in the budget that a certain number of centimes shall be added to the principal of one, two, three, or all four of the direct contributions. If a department or a municipality has any new or special need of money for the construction of, say, a chamber of commerce or an asylum, it may proceed in precisely the same way, except that the edict of the municipal or departmental council levying such additional centimes requires approval by the President of the Republic.

Thus, in 1886, when the principal of the four direct contributions in Marseilles was 5,794,991 francs, the addition of 5 centimes for the maintenance of communal roads yielded 5 per cent. of that sum, or 289,750 francs. Two "centimes additional" on the taxes from windows and doors yielded 2 per cent. of 763,455 francs, or 15,269 francs. The principal or fixed element of the direct contributions remains thus a stationary quantity upon which the Government can rely. The additional centimes are levied from year to year by the state, department, and city governments, respectively, as a flexible supplementary resource by which the receipts of each year may be adapted to its necessities. In this way, as the expenses of the country have steadily increased, the direct contributions have become burthened with sufficient additional centimes to more than double, in some cases, the revenue yielded by one or more of them. For instance, the aggregate of additional centimes imposed for the year 1887 upon the contribution from business licenses is 1 franc 22 centimes, or 122 per cent. The effect of this system will be best illustrated by some example. For instance, a wholesale and retail merchant (Schedule A, Class I), who resides and does business in Marseilles, paying as rent of his residence 3,000 francs, and for the rent of his store 4,000 francs:

	Francs.
Fixed license tax would be per tariff	300
Proportional tax:	
5 per cent. on house rent	150
2½ per cent. on store rent	100
	550
1.22 centimes additional (122 per cent. of 550)	672
Total under license tax	1,222

Similarly, a broker who deals in domestic and foreign securities (Schedule B, first class), who pays 8,000 francs in rents and employs 15 clerks, would be assessed under the license clause as follows:

	Francs.
Fixed license	1,000
Ten employés (in excess of 5 exempt), at 50 francs each	500
Proportional tax (10 per cent. of 8,000 francs)	800
	2,300
1.22 centimes additional	2,806
Total	5,106

As an example under Schedule C, suppose a manufacturer of cutlery who pays in all 10,000 francs as rent for his domicile and factory and has 90 workmen, his license tax would be estimated as follows:

	Francs.
Fixed annual license	5.00
Ninety workmen, at 4 francs each	360.00
Proportional tax:	
5 per cent. of 2,000 francs house rent	100.00
2 per cent. of 8,000 francs factory rent	160.00
	725.00
1.22 centimes additional	884.50
Total	1,509.50

These are, of course, simply the license taxes which each would pay, independently of their other assessments under the titles of real estate, doors and windows, and personal and mobiliere.

Between the direct and indirect contributions is the second group of national tributes called "assimilated taxes," which are paid directly to the agents of the national Government.

ASSIMILATED TAXES.

These are—

(1) The Government royalty on mines, which is about 1 cent per acre of the area included in the concession, 5 per cent. of the net profits, and 10 per cent. additional upon the sum of the area and profit taxes combined.

(2) Fees for the verification of weights and measures, viz: Once each year an inspector is sent to test and verify the scales, weights, and measures of all traders who sell goods by weight or measure. For this inspection fees are provided in a long schedule, which includes—

Scales (from platform to counter)	$1.00 to $0.05
Iron weights	.01 to .12
Brass weights	.02 to .09
Dry measures	.01 to .20
Liquid measures	.01 to .12
Wood measures	.18 to .20
Dry-goods measures	.01 to .06

(3) *Taxes on public and private billiard tables.*—This is $6 per annum for each table in all cities (except Paris) which have a population exceeding 50,000 and $3 in communes below that limit.

(4) *Taxes on clubs, chartered societies, etc.*—This is 20 per cent. of the annual and special dues collected from the members.

(5) *Taxes on saddle and draught horses, mules and asses, and upon wagons and carriages.*—This class of taxes is graded according to the

population of the commune in which the animals and vehicles are owned. In Marseilles the rate is—

Four-wheeled vehicles per annum	$10
Two-wheeled vehicle per annum	5
Each horse, mule, or ass	4

By law, one-twentieth of the proceeds of this tax is awarded to the commune in which it is collected, the remainder goes to the treasury of the state.

(6) *Tax on dividends and interest.*—This is a tax of 3 per cent. of the annual dividends paid upon all commercial, railway, manufacturing, or other business stocks, and upon the interest of all bonds (except those of the French Government) owned in France. French companies which issue stock or bonds are required to retain and pay directly to the Government this 3 per cent. tax on dividends and interest, which is thus collected without recourse or intervention by the share-holder.

We come now to the third group of national taxes imposed by the French law and known as the indirect contributions.

INDIRECT CONTRIBUTIONS.

They are paid indirectly by consumers of certain articles. They include (1) the whole schedule of duties on imported merchandise as prescribed by the general tariff and the amendments which are made to it nearly every year for the purpose of protecting manufactures and increasing the revenue. French duties are uniformly high and are imposed on nearly all imports except raw materials. Food products are not, however, classed by the tariff as raw materials, but pay in general high duties, as, for instance, 45½ cents per 100 pounds on wheat; $13.68 per 100 pounds on coffee. Crude petroleum pays $5.52 and refined $7.72 per barrel, although no crude petroleum is produced in France or in any French colony.

(2) The stamp tax on bank-checks is 4 cents; on drafts 1 cent per each $20 up to $200, and 10 cents for each $200 above that amount. Every receipt for any sum exceeding $2 pays a stamp tax of 2 cents.

(3) *Recording fees* ("*droits d'enregistrement*").—This includes a list of charges so elaborate and extended that only a synopsis of the more important ones can be given in the space available in this report. Every legal document or copy of the same, no matter how trivial in importance or value, must be written upon stamped paper costing from 10 to 70 cents per sheet, or it is illegal and entails a fine. Not only this, but the number of lines on each page and the number of words in each line are limited by law. Sales, loans, mortgages, marriage settlements, exchanges of property, shipments of freight by express, etc., must not only be written on stamped paper, but pay to the state taxes both fixed and proportional, the latter being percentages on the net amount of the transaction. For instance, when personal or real estate is sold at auction the Government tax is 6.6 per cent. of the proceeds of such sales, plus the charges thereon.

A lease of real estate is charged 5 cents per 100 francs for the entire sum of rental to be paid during the term of the lease. When a lease is perpetual the tax is estimated on the cumulative rental of twenty years.

Any written agreement pays a fixed tax of $3.60, and besides a proportional tax of from 6 to 9 per cent. of all sums of money to be paid or received and which forms the basis of such agreement.

For marriage settlements the fixed tax is $1.20, $2.40, or $4.80 when

the amount concerned is 5,000, 10,000, or 20,000 francs respectively, and $8.40 for each additional 20,000 francs named in the contract.

The Government tax on inheritances ranges from 3.6 to 10.8 per cent. of the net value of the estate, according to the nearness of kin between testator and legatee. The more distant the relationship the higher the rate of tax for the transfer.

All commercial contracts made in writing and signed by two or more parties pay a fixed tax of 70 cents and 2.4 per cent. of the gross value of the merchandise or consideration involved. The proportional tax is only levied in the case of subsequent litigation and on such portions of the contract that have given rise to legal action.

Marine bills of lading are taxed 55 cents each.

All mortgages, titles, deeds, etc., which are required to be recorded are taxed at each step and process, so that it is calculated that when a piece of real estate has been sold and transferred six times the "droits d'enregistrement" and various charges incident to the successive changes of ownership have absorbed for the benefit of the state an amount equal to the entire value of the property.

All the formalities of marriage and burial, certificates of birth, etc., are written on stamped paper, and every infraction or invasion of the law entails a fine. Thus, if a revenue stamp on a check, draft, or receipt is not canceled by the signer in the prescribed form, the law imposes a fine of $12 for each offense.

Advertisement posters are charged under a special stamp tax 1 to 5 cents each, according to the size of the sheet.

The régie is a system of special taxation which applies to salt, candles, playing-cards, oils, wines, liquors, and tobacco.

The manufacture and sale of all forms of tobacco, like that of gunpowder, is in France a Government monopoly which yields annually a profit of from 360,000,000 to 375,000,000 francs, and is therefore equivalent to a tax of that amount upon the importation, growth, manufacture, and sale of that article. Cigars and tobacco for private consumption may be imported under a special permit from the régie, based on a declaration that the merchandise thus imported is for the personal use of the importer and not for sale.

The customs duty on cigars and cut tobacco imported under such special permit is 36 francs per kilogram, equal to $3.15 per pound.

In respect to wines, cider, and alcoholic liquors the taxes imposed by the régie, in addition to the octroi or local city tribute (to be hereafter explained), are as follows:

(1) *License of transit.*—This is a fixed fee of from 24 to 50 cents per hectoliter, which is charged for a permit to move wine in casks from one cellar or locality to another. For wine in bottles the charge is at the rate of $3 per hectoliter, and all licenses of transit specify the amount of wine to be moved as well as the day and hour and the localities from which and to which it is to be transferred.

(2) *Retailers' license tax.*—This is a tribute of 15 per cent. of the total amount of sales which is collected from all retail venders of wine, cider, cordials, and liquors.

(3) *Tax on consumption.*—This is the original revenue tax on all wines sold for consumption in France. The rate is 90 cents per hectoliter on all wines containing less than 15 per cent. of alcohol; wines containing from 15 to 21 per cent. pay the same tax as lighter wines, and the quantity of alcohol in excess of 15 per cent. pays double the duty imposed on alcohol, viz., $67.54 per hectoliter (26.7 gallons). When the

proportion of alcohol exceeds 21 per cent. the wine is taxed as pure alcohol at the rate of $33.77 per hectoliter.

(4) License for manufacture: On beer is 92 cents per hectoliter for malt liquors and 24 cents per hectoliter for small beer, in which malt is not an ingredient.

(5) *Right of entry.*—In addition to the foregoing taxes the régie imposes a general impost or entrance duty upon all wines, cider, and liquors brought into villages or cities for consumption or sale. The tax is graded according to the population of the city or commune to which entry is made and ranges from 18 to 72 cents per hectoliter for wine and from 8 to 30 cents per hectoliter for cider.

All these regulations are enforced with extreme care, and any attempted fraud or evasion is punishable by seizure of the goods and fine or imprisonment, or both, of the offender. In cases of transfer, if the wine or liquors are found in transit, except during the day and hours specified in the permit, or elsewhere than on the most direct route between the two localities likewise designated, they are subject to seizure and the offender to a fine.

The régie tax on playing cards is 12 cents per pack.

The manufacture of matches is also a monopoly farmed out to a powerful company, which pays the Government a yearly lump sum for the privilege of exclusive manufacture.

No private citizen in France is permitted, unless specially authorized, to take water from the sea for any purpose, and manufacturers of salt are under a surveillance of the régie similar to that applied to distillers and manufacturers of tobacco in the United States. The revenue tax on manufactured salt is 90 cents per cwt., and the estimated revenue of the state from this one article for the present year is 9,269,000 francs.

The receipts from these various sources are divided as follows:

All the revenues derived from the indirect contributions, and likewise all proceeds of the assimilated contributions, except 5 per cent. of the tax on animals and vehicles, and 35 per cent. of the fees collected for licenses to sportsmen, go to the national treasury.

The product of the four direct contributions is divided as follows in this department:

	State.	Department.	City.
	Per cent.	*Per cent.*	*Per cent.*
Taxes on real estate	47	34	19
Personal and rents	50	31	19
Doors and windows	58	23	19
Licenses	57	20	19

The remaining 4 per cent. of the tax on licenses is left unappropriated as a provision against the small proportion of such taxes as may prove uncollectable by reason of death, removal, and other causes.

It remains to explain the one purely local and most prolific source of municipal revenue in most French cities and towns, viz:

THE OCTROI.

This is the simplest and most primitive form of taxation for local purposes. A cordon of guards is drawn round the municipality with stations on all incoming streets and roads, as well as at the railway

and canal stations, who are authorized to collect specific duties upon all materials and articles of consumption which are brought in for the use of the inhabitants. Each town or city makes and enforces its own schedule of octroi duties, but the tariff of charges must be in each case approved by the national Government.

The octroi duties at Marseilles are as follows: Wine in casks or bottles per hectoliter of 26.7 gallons, $1. Wine in which the proportion of alcohol exceeds 21 per cent. pays on such excess of alcohol per hectoliter, $12.

The above regular octroi tribute on wines and alcohol have been greatly increased of late years by an additional tax of 52 cents per hectoliter on wine and $1.20 on alcohol, temporarily added to meet a special necessity and as a "surtaxe." This additional impost yielded last year 1,500,000 francs in Marseilles.

Vinegar	per hectoliter	$1.00	Straw	per 100 kilograms (220 pounds)	$0.20
Alcohol, crude, for burning only		1.50	Oats	do	.50
Dried and cured meats	per pound	.02	Corn and barley	do	.30
Lard, salt pork, salt beef	do	.015	Bran and shorts	do	.12
Fresh cut meats	do	.025	Firewood	do	.10
Dressed chickens and potted meats	do	.015	Charcoal	do	.20
Live cattle	do	.006	Mineral coal	do	.08
Live hogs	do	.008	Cement, lime, and plaster	do	.07
Calves, lambs, kids	do	.015	Asphalt and bitumen	do	.30
Game, animals	do	.04	Bricks and tiles	do	.05 to .20
Game birds	do	.05	Building stones	per cubic meter	.50 to 1.40
Live chickens	each	.04	Marble	per 100 kilograms	.20 to .24
Live geese, turkeys, guinea-fowls, and peacocks	each	.12	Plate-glass	do	1.00
Dressed geese, turkeys, guinea-fowls, and peacocks	per pound	.015	Window-glass, ordinary	do	.60
Pigeons	per pair	.02	Tallow and grease	do	.40
Fish	per pound	.015	Toilet soaps	do	5.00
Oysters and other shell fish in shells	do	.01	Candles:		
Ice	do	.005	Tallow	per 100 kilograms (220 lbs)	.40
Strawberries	per quart	.02	Stearic	do	3.00
Truffles	per pound	.15	White lead, varnish, and paints	do	1.60
Chestnuts	do	.005	Iron for building purposes	do	.40
Butter and oleomargarine	do	.02	Lumber and timber	per cubic meter	.90 to 2.20
Cheese of all kinds	do	.01			
Eggs	do	.005			
Hay	per 100 kilograms (220 pounds)	.24			

The octroi of Marseilles yielded during 1886 a gross revenue of 8,100,000 francs, or $1,563,300.

MUNICIPAL TAXATION AND EXPENDITURES AT MARSEILLES.

We come finally to examine the practical application of this elaborate system of taxation by the city government of Marseilles. For this analysis the municipal budget of 1886 is chosen, and it will be necessary for the sake of clearness and accuracy to employ the French currency. It has been stated in this report that the fixed revenues to be derived from the four direct contributions in the commune of Marseilles for the year 1886 were estimated by the National Government as follows:

	Francs.
Taxes on real estate	1,540,270
Capitation taxes and taxes on rents	1,180,708
Taxes on windows and doors	763,455
Business licenses	2,308,538
Total	5,794,991

This sum, although far below the revenues actually required to be gathered in Marseilles from the sources above specified, formed the principal upon which to levy the additional centimes or percentages which might be found necessary to raise the anticipated revenues to the required figure.

The addition of one additional centime, for example, to the taxes on real estate would yield 1 per cent. of 1,540,270 francs, or 15,402 francs. The addition of 2 centimes to the sum of the four direct contributions would produce 115,899 francs, and so on.

Under the laws already noted, the council general of the department and the municipal council of the city are authorized to levy additional centimes, within prescribed limits, upon one or more of these contributions, to provide for the expenses of departmental governments and meet the deficiencies left in municipal and communal treasuries by the insufficient proceeds of the octroi and other local sources of income.

The government of the department of Bouches-du-Rhone (in which Marseilles is situated) is charged with the maintenance of certain country roads, the federal courts, the care of the prefecture and sous-prefectures, the barracks and personnel of the gendarmerie, certain of the public schools, justices of the peace, asylums for indigent children and the insane, as well as for the care of the state prisons within its territory. The aggregate of these expenses of the department for the past year was 7,203,436 francs. Of this amount 1,898,750 francs were raised by means of additional centimes levied on the principal of the four direct contributions, as already explained. The remainder was derived from various subventions and appropriations from the national treasury, which, being paid from the proceeds of federal taxation, need not be further separately considered here.

Resuming, therefore, our examination of the revenues and expenses of the municipality of Marseilles, we find from the budget for 1886 that the receipts for the year included 51 items of general and special taxation, the proceeds of which belonged wholly or in part to the city treasury.

The more important of these and the sums which they severally yielded were as follows:

	Francs.		Francs.
From the octroi	8,100,000	Burial permits in cemeteries	226,000
One-third (city's share) of the fees for permits to sportsmen	22,000	Tuitions city school of medicine and pharmacy	25,000
Taxes on dogs	25,000	Taxes on telephones (10 francs each)	16,000
Five per cent. (city's share) of taxes on horses and vehicles	5,500	Surtaxes on wine and alcohol	1,500,000
Fees for use of public abattoir	330,000	Estimated sales of land acquired by opening new streets	3,500,000
Fees of city weighers and gaugers	570,000	Loan for the construction of new schools	1,500 000
Fees of market stalls and fairs	750,000	Subvention by the State for sanitary improvements	300,000
Building licenses	100,000		
Water rents	1,963,000	Total	19,147,458
Fees for medical services to public women	65,000		
Rents on municipal property	150,000		

Added to this was a sum of 783,458 francs received through subventions from the State and various small revenues not included in the foregoing list. This left a deficit of 2,355,435 francs to be collected from the system of additional centimes in order to raise the grand total to 22,286,393 francs, which was the sum of estimated expenditures for the year.

These additional centimes for municipal purposes were levied in eight separate assessments for the benefit of as many special funds. Four centimes were added to endow a certain suburban street fund, 8 centimes were added for the primary schools, and so on, the sum of the eight additions being 40.6 per cent. of the principal of the four direct contributions, so that the total revenue from those sources for State and city purposes was 5,794,991 + 2,342,776=8,137,767 francs.

The municipal expenses of Marseilles for 1886 amounted, as already stated, to 22,286,693 francs, or $4,302,450. It is impossible to give, within

reasonable limits, the detailed items which make up this large sum. The following list comprises the principal ones, which may, if desirable, serve for comparison with corresponding expenses in American cities of similar size and population, it being understood that Marseilles has, by the census of August last, 376,143 inhabitants.

	Francs.		*Francs.*
Police department	980, 300	Lighting of streets, squares, and parks	675, 400
Lighting and heating municipal buildings	467, 227	Expenses of water-works	779, 590
Department of public health	1, 053, 030	Fire department	243, 100
Salaries and other expenses of octroi system	1, 239, 300	Military expenses	68, 700
Expenses of public abbattoir	64, 050	City hospitals	750, 000
Repairs and care of public buildings	194, 310	Care of the insane	200, 000
Care of public parks and squares	195, 080	Pensions to retired municipal employés	348, 964
Repairs and care of paved streets	200, 000	Charity to victims of small-pox epidemic	76, 000
Repairs and care macadamized streets	282, 800	High schools, observatory, conservatory of music, and school of art	440, 070
Cleaning of sewers and urinals	22, 000	Common schools and créches	1, 633, 465
Cleaning and watering streets	478, 000	Public fêtes	110, 000
Care of Park Borely	66, 110	Interest on various municipal loans	5, 836, 387
Care of trees on promenades and boulevards	50, 060		16, 354, 326

The foregoing items, amounting to 16,354,326 francs, cover most of what may be called the ordinary expenses of the city government, which are nearly uniform from year to year.

The remaining disbursements, 6,656,238 francs, include a long list of expenditures for various repairs and improvements in streets, pavements, etc., subventions to the opera and numerous societies and associations, purchases of works of art, purchases of property needed for public purposes, and for other incidentals.

By reason of the cholera epidemics of 1884 and 1885 and the commercial depression due to that and other causes, more or less general throughout France, the municipal finances of Marseilles are now in a very unsatisfactory condition. A statement presented yesterday to the newly-elected council by the incoming mayor shows debts due to the department, the hospitals, the gas company, and other local creditors amounting to 3,411,000 francs, against which there are only 284,000 in available resources, leaving a balance of 3,157,000, for which provision must be made by loans, the levy of still more additional centimes, or other extraordinary measures. Such is the natural heritage of an epidemic which, by simultaneously increasing expenses and diminishing revenues, must inevitably throw out of balance the financial machinery of even the most carefully-managed municipality.

FRANK H. MASON,
Consul.

UNITED STATES CONSULATE,
Marseilles, May 10, 1887.

GERMANY.

MUNICIPAL ADMINISTRATION OF BERLIN, WITH SPECIAL REFERENCE TO ITS FINANCIAL SYSTEM.

REPORT OF CONSUL-GENERAL RAINE.

In Berlin, as well as in all larger cities of the present age, the wants of the community have gradually assumed so multifarious a character that wise political economists deem it one of their great tasks to devise ways and means to meet unavoidable demands and to evade at the same time apparent injustice or partiality in the imposition of taxes.

No city on the European continent has furnished us with more instructive suggestions in municipal government than Berlin. Berlin has in rapid growth surpassed within the last twenty-five years all other cities of the world outside of our own country. This development, not anticipated a few decades ago, must be considered the result of a number of favorable circumstances. The nearly central geographical situation of Berlin, both for Germany and Europe, found its full value with the era of railroads, the industry and frugal habits of its inhabitants, the descendants of different nationalities, who transferred their industrial skill, training, and experience to Berlin; all this contributed to create a homogeneous population, guided by the same aspirations for culture, development, and progress, until finally the remarkable political events of latter years made Berlin what it is.

But Berlin is at present not only the seat of one of the most powerful sovereigns, it has also gradually risen to the position of a chief center of trade and exchange on the continent, where international accounts are adjusted and great loans negotiated.

Berlin, with a population reaching nearly 1,400,000, occupies an area of about 6,310 hectares, or 60 square kilometers, and, with the number of its inhabitants, it would constitute it the seventh of the twenty-six confederate states of Germany.

Before I proceed to review the sources of revenue and the expenditures, the merits and demerits of the financial system of the German capital, I will preface my report with a brief history of Berlin, showing to what extent the experience of the past political institutions and laws have aided in establishing the present financial system of Berlin.

I.—BRIEF HISTORY OF BERLIN.

Prior to the year 1307 Berlin consisted of two cities, Kölln and Berlin, which, formerly fishing villages situated on the Spree River, in the thirteenth century were raised into cities. As early as 1308 Berlin took the lead of the City League of the "March" (Brandenburg), and entered into alliance with the then powerful North German Hansa, a commercial league for mutual defense in the Middle Ages, when Germany and her neighboring seas were infested with tyrannical feudal chiefs, bandits, and pirates.

Berlin, exposed constantly to severe struggles, could maintain itself only under great difficulties, until, with the energetic measures taken by the Burggrave Frederick von Nuremberg, the first prince from the dynasty of Hohenzollern, order and tranquillity secured a better development of the place. Although the city lost several rights of sovereignty, both to the new ruler of the country and to Frederick II, his successor, it became the chief residence of these princes, and thus its destiny became ultimately connected with that of the new dynasty.

Since 1539, when the Elector, Joachim II, introduced the reformation in his country, Berlin gained in extension, giving shelter to many skilled artisans or artists, who fled to Berlin from the Netherlands, then under Alba's rule. At the end of the sixteenth century the population of Berlin hardly exceeded 1,200 persons in number.

During the thirty years' war Berlin was exposed to bitter oppressions and trials, repeatedly invaded by one or the other of the belligerent forces. At this time the population of the combined city (Berlin and Kölln) was again reduced to about 1,200 inhabitants, their suburbs having been laid in ashes and the city itself presenting a sad picture of devastation.

At the end of the thirty years' war, under the provident and energetic government of the Great Elector, a better state of things came with the growing significance of the state. Owing to the reception of numerous foreign colonists, especially of Huguenots, expelled from France (1685), the number of inhabitants rose to 20,000. A period of about forty years sufficed to raise Berlin into better condition than at any time previously. Trade, art, and science had found on the banks of the Spree a safe refuge and grew vigorously.

In the reign of Frederick I, the first King of Prussia (since 1700), the growth of Berlin continued with the increasing immigration of industrial foreigners encouraged by attractive privileges. Under the second King of Prussia, Frederick Wilhelm I, the population reached the number of 90,000 inhabitants, numerous protestants expelled from Bohemia and Salzburg (Austria) having found in Berlin an asylum.

New sufferings came during the seven years' war, under the King, Frederick the Great, though this King did all in his power to revive industry and trade. He ordered the erection of many new buildings, and, at his expense, the establishment of large silk factories, weaving, dyeing, and printing mills, and enlarged the Royal Porcelain Manufactory, founded in 1751. Soon the previous wealth and splendor were restored to Berlin, and when "Old Fritz" departed this life Berlin numbered 140,000 inhabitants. Under King Frederick Wilhelm II, silk industry had developed to such an extent that Berlin alone provided Northern Europe with its silk manufactures.

King Frederick Wilhelm III followed. Under him, in consequence of the fatal battle of Jena (against Napoleon), the old order of the Prussian monarchy collapsed suddenly in 1806. Great efforts were made to reorganize the state. One of the achievements of that time was the adoption of the so-called "Staedte Ordnung" (cities' act) framed by the renowned statesman Stein. A new time of self-activity and participation of the citizens in their communal affairs commenced for the lasting benefit of the community.

When in 1813 Prussia rose to shake off the yoke of the Corsican, Berlin joined Eastern Prussia in the great movement for the "liberation of the Fatherland."

With the restoration of international peace, Berlin's internal development grew rapidly, and the city became the capital also for those provinces which under the Vienna treaty had fallen to Prussia.

In 1840 King Frederick Wilhelm IV ascended the throne. Under him, in 1848, the year of European revolutions for liberty and equality, Berlin was the scene of disturbances and riots, partly of a socialistic, but to a greater extent of a political character. Until then Prussia had been an absolute monarchy. In the year last mentioned the people demanded a share in government, a constitution. The peaceful King yielded; a provisional representation of the people was convoked; their combined deliberations resulted in the promulgation of the Prussian Constitution, January 31, 1850, which is still in force.

Another movement in 1848–'49 for the re-establishment of the German Empire failed, although a provisional German parliament under a vice regent already existed, and a large portion of the German people desired the King, Frederick Wilhelm IV, to be proclaimed Emperor of Germany. He declined, however, to accept the imperial crown from the "bloody hands of rebellion."

The wishes of the German nation were finally realized by the brother of the last King, the late Emperor William, and Berlin became with the establishment of the German Empire its capital.

II.—NATURE, ORIGIN, DEVELOPMENT, AND EXTENT OF PRUSSIAN MUNICIPAL LAW.

The complex subject of the Berlin administration can hardly be understood without recurring to Prussian and German administration law in general which contains as species municipal law and state law.

(*a*) DEFINITION OF GEMEINDE (COMMUNITY).

According to German jurisprudents, for instance Von Holzendorff, the German word "Gemeinde" (best translated by the French commune) in its broadest acceptation means, abstracted from peculiar corporations for ecclesiastical, educational, and other purposes, any body-politic occupying a certain district of the state-territory for local purposes in common.

There are in Germany Gemeinden of a higher and lower class, such as provinces, kreise (arrondisements), cities, townships, and simple Gemeinden of the country (local communities). The extent of a Gemeinde need not coincide with the compass of a certain place. A Gemeinde may embrace several villages, hamlets, manors, and farms. But the most important division of local communities is that into towns or cities and into rural communities (Landgemeinden).

Both have an entirely different history, which anciently laid the foundation of principal differences in their nature. At present both city communities and rural communities are, in principle, nearly identical. According to the present acceptation, prevailing in Germany, the "Gemeinde" implies or includes a double function, viz, to live as link of a higher organism and as a self-existent organism.

This present acceptation of the nature of German communities lies between two extreme acceptations, of which one, prevailing in the Middle Ages, considered the "Gemeinde" as an entirely absolute political body, and the other acceptation, still prevalent in France, which sees in the "Gemeinde" nothing but a state institution.

(*b*) HISTORICAL DEVELOPMENT OF COMMUNAL LIFE.

When the Germanic peoples appeared in history, a state, in the true sense of the word, was unknown to them. Their entire organization rested on communities of larger or smaller extent, of which the smaller ones (local communities, free village communities, and "March" communities) for all their internal concerns, were altogether independent and only for affairs of a more general character subordinated to the corporations next following in rank (Volks-Gau-and Hunderschaffts-Gemeinden). In the course of centuries, with the ascendency of feudal and patrimonial ideas, such free communal constitutions were more and more impaired and repressed. But always even such country communes as were subjected to manorial lords remained, with regard to their interior affairs, independent corporations in their communal assemblies, exercising rights of autonomy and self-administration.

Above all, however, there rose, within the last four centuries of the Middle Ages, quite a new and mightier communal freedom in the cities which, virtually, became independent republics of a larger or smaller sphere, and used to be subject only to a monarchical protective power which was incumbent, at one time, on the Emperor, at another, on the sovereign of the respective country. The importance of the cities of the Middle Ages was in all respects also, with regard to constitution and

law, not a slight one; here birth was given to the ideas of modern times. Those cities have as the first within their precincts and walls re-awakened to life the extinct idea of state and carried it out even in its details.

But to be able to develop, instead of the antiquated "city-state," the modern "areal state" on a Germanic basis, the cities, having accomplished their task, had to transfer their mission to a higher union. Such a union was in Germany represented by the sovereign. The new "country state" was, according to its intrinsic nature, inconsistent with the continued existence of the ancient communal independence, by virtue of which the municipal corporations appeared as states within the state. The uninterrupted strife of the state tended to deprive the communities of their state functions and to concentrate them upon the one undivisible state power. In a one-sided exaggeration of the idea of state it was thought necessary to derive not only all political, but, in general, all public life from one single source.

Apart from smaller states, only England knew how to found a central and comprehensive state union without annihilating the historical freedom of the communes. On the European continent, however a system of state tutelage expanded more and more, under the pressure of which municipal life, once so vigorous, languished and decayed. Nay, the oppression of the communes was held in direct proportion to the extent, fertility, and vigor of the state idea.

Thus, in Germany, that state which above all was called upon to be the supporter of the Germanic state idea, Prussia, proceeded most rigidly to cut down municipal freedom.

While the path was prepared for liberating persons and things from bondage, the communities of the country were thoroughly calculated and construed to be districts of mere political administration. The cities were divested not only of their own jurisdiction and police administration, but even of the right of selecting their own authorities and of self-administering their own property. An example may here be cited. In the reign of the Prussian King Friedrich Wilhelm I, the property of cities was pronounced to be the property of the fisc (state treasury); for which reason the surplus of the city budgets had to be delivered to the royal treasury. Instead of the old town council, a simplified magistracy was, directly or indirectly, appointed by the royal chamber.

Those vexations lasted until the French revolution, towards the end of the last century, gave a warning example not to impair natural rights to the utmost. The new municipal system which was founded by the French acts (specially of 28 Pluviôse, au VIII, 2 Pluviôse, au IX, and 16 Thermiuor, au X,) and imitated by many, especially western German states, was based upon the simple and plainly expressed idea that the "commune" is nothing but a geographical subdivision of the state territory, and the burgesses of a city nothing but a numeral division of the subjects of the state. An appointed prefect or mayor governed this portion of state as an obedient and unresisting agent of the central power.

In Germany, however, the order of the French municipal system was neither permanent nor complete enough to annihilate communal life one thousand years old. However deep the old corporations had fallen, yet they presented the connecting link for reformatory legislative organization, which created and continually expanded the frame for development of a modern municipal life.

The conspicuous model of the modern German legislations was established by the very same state in which the idea of state had militated

most rigidly against the municipal freedom. The Prussian "cities act" of Stein, already alluded to, of November 19, 1808, recognized again for the first time the city as an independent civic commonwealth. He charged it with the self-administration, imposing on same self-responsibility; and he created, in addition to a "magistracy" (magesterial senate), a body of aldermen (Stadtverordneten) in a representative capacity, elected by the burgesses. A bold spirit pervades this act hardly equaled by any subsequent act, however high-minded in detail such may have been.

In grateful remembrance of this work, the city of Berlin erected, a few years ago, a costly and beautiful monument to Stein, the modern "builder of cities."

III.—GENERAL DOCTRINES ON THE SO-CALLED ADMINISTRATION LAW.

Without entering further into details as to all the subsequent legislative amendments in relation to special municipal law in Prussia, some striking features may be given of the present status of Prussian administrative law established in recent years by reform legislation on the subject of administration of all communal corporations of however extended spheres, viz, state, provinces, Kreise (circuits) and local communities; and some notes shall be added as to their mutual relations and to the Empire.

(*a*) CONCEPT AND ESSENCE OF PRUSSIAN ADMINISTRATION.

According to Prussian jurisprudence the generic term "administration" means here the execution of collective interests by the competent organs of the community or commonwealth concerned.

Administration law means the totality of juridical principles after which such administration is conducted. The collective interests of the state community (commonwealth) are identical with the object or purpose of the state; they are implied therein. Hence the administration is also that activity which is intended for the execution and attainment of the purpose of the state. This is done in two directions. On one hand by the establishment of abstract norms to regulate generally the relations of the citizens; on the other hand, by arrangements intended only for a certain sphere of relations or for concrete cases. The former activity divides into legislation and justice, the second is administration in its proper and narrow sense. Justice and administration are only different emanations from the executive power of the state. In this meaning, *i. e.*, in contradistinction from justice, the word "administration" is usually understood in Prussia, and the legislative activity divides accordingly into judiciary and administrative legislation, and correspondingly the organs of the state divide into authorities of justice and authorities of administration.

(*b*) JURIDIC CONTROLS OF THE ADMINISTRATION.

Considering the arbitrary character of the administration which mostly has to conform to the requirements of concrete cases, legal supervision had to be provided for in order to protect the individual against encroachments on the part of the administration. The solution of this problem has been attempted in Prussia gradually and under great difficulties by means of the following institutions and expedients: A comprehensive right of complaint and petition; the admission of a so-called

"administrative justice"; the development of the principle of self-administration; jurisdiction of the ordinary courts of justice, and the responsibility of the officials both under the civil and criminal laws.

(*a*) *Right of complaint.*—This is a right to repeated examination and rendering decision as to a given case complained of, by different authorities of resort; such complaint must be filed with the first superior authority of record, the inferior being bound by the decision of the superior. From the right of complaint emanates the right of petition to Parliament, but this latter right can not be exercised until the former right of complaint has gone through all superior instances.

(*b*) *Administration justice.*—This peculiarity of the Prussian organization consists in the administration justice (separate from the ordinary courts of justice), being exercised by independent courts subject only to law, a court which, in its inferior and mediate resorts, constitutes at the same time administrative authorities, while in the highest resort (process of a suit) there exists an independent court, the members of which occupy the position of judges.

All matters left to the decision of the administrative courts respect public rights with which private interests might have entered into collision.

(*c*) *Self-administration.*—The participation of the citizens in the current affairs of administration by exercising a so-called self-rule grants to the individual protection against arbitrariness of professional officials, and to the whole people a steady insight as regards the nature and the working of the administration. It is true that this very protection may be misused for the benefit of any party prominent at the time. To avert this evil the competencies of administration in Prussia are, as a rule, and in all important matters, not bestowed upon boards of mere self-administration, but upon boards in which state officials co-operate with members elected. Those state officials have the right of opposing any resolution that may be passed in the interest of a political party to the detriment of the inhabitants in general.

(*d*) *Protection by ordinary courts of justice* chiefly appears in three directions, viz:

(1) Determination of disputed private rights independently of the administration and its varying maxims.

(2) Administering the penal laws independently of the political party stand-point of the predominant governmental or administrative system.

(3) Control of the lawfulness of the administration by the exceptional adjudgment of such legal questions as result from the management of the administration proper.

As there is no fixed limit between matters of justice and administration, the question how far the competency of ordinary courts extends and where that of administration authorities and administrative courts begins is one of the most disputed of public law. To decide such questions at issue a special court in Prussia is officiating, viz, the court for deciding conflicts as to competency.

IV.—SPHERE OF ADMINISTRATION IN PRUSSIA.

In all modern states appear as administrative departments, (1) foreign office; (2) department of war; (3) judiciary; (4) finances; (5) interior.

The fifth and last serves to realize the purpose of state in social requests. To these belong all political acts directed towards order, tranquillity, protection, promotion of scientific, intellectual, and material

aspiration of the inhabitants, as well as the maintenance of the state organisms, etc. Owing to this great extent of competency an elimination of three subdivisions out of the last department became advisable in Prussia. These eliminated three departments were co-ordinated to the five older ones above enumerated, viz, (6) church and educational department; (7) agriculture, domains, and forests; (8) trade, industry, and public works.

With the increasing importance of the latter department another new one, viz, (9) the ministry for public works, was established.

Thus Prussia has now nine ministries. As to the administration of the Empire no such sharp separation of departments exists. Its organs are, (1) foreign office; (2) imperial office of the interior; (3) judiciary; (4) treasury office; (5) post and telegraph department; (6) admiralty; (7) railroad department; (8) invalid funds office; (9) auditing and comptrolling office; (10) indebtedness of the Empire; (11) office for the administration of imperial railroads; (12) board of directors for the bank of the Empire.

Also, in the Empire all such matters are placed under the control of the imperial office of the interior as do not come within the province of any of the others. This is, for instance, the case with the federal office for homestead matters, the patent office, the national board of health, the imperial board of insurances, the supreme navigation office, bureau of statistics, the gauging office for measures and weights, etc.

Under the constitution of the German Empire a large number of administrative affairs have been taken partly or entirely from the individual German States—thus the war and navy, post, and telegraph departments.

V.—PRUSSIAN LEGISLATION SINCE 1872 AS TO A REFORM OF ADMINISTRATION.

As already stated heretofore, prior to 1808 the administration of the Prussian state was, in harmony with the character of the time, based upon an absolute central and hierarchic bureaucratic system. Juridic controlling institutions or self-administration did not exist. Stein, reorganizing the Prussian state in 1808–1815, gave the first impulse. As such step must be regarded the introduction of administrative control through the ordinary courts-at-law, the idea of self-administration found application only in mere communal affairs of cities under the new cities act, later in the provinces act (provincial ordnung), and in the "kreis-ordnung" (constitution for circuits). Even the Prussian constitution of 1850 did not speak of self-administration.

In the meantime science and intelligent practice demanded a change in the existing state of things, not only in the local communities, but also for higher grades of commonwealths, viz, circuits and provinces. Even the state administration felt the indispensable necessity of being exonerated from detail work, *i. e.*, to effect decentralization. New provinces (1866) with differently organized administrations having been annexed by Prussia, also an external circumstance served to require uniformity in administration. Thus a reform of the interior administration of Prussia commenced, directed towards decentralization and introduction of self-administration, as well as juridic controlling institution.

The act called "kreis-ordnung" (circuits act), December 13, 1872, was the first result of those efforts.

Based on like principles the so-called "provincial ordnung" (provinces act) was enacted June 29, 1875, for the provinces, and as supervisory control authority on "oberverwalt-ungsgericht (supreme administration court") was created for the whole of Prussia.

VI.—PRINCIPLES OF ORGANIZING ADMINISTRATION IN THE PRUSSIAN STATE.

State and communal administration have been distinguished from each other by various names of not always congruent definitions, viz: Central and local administration, state and self-administration, centralization and decentralization, magistratic and economical administration.

The essence of a magistratic A lies in the competency to carry out the state will by application of the coercive power of the state.

By economical A, however, is meant the procuration and use of material means requisite to attain public purposes.

(*a*) THE LIMITATION OF COMPETENCIES BETWEEN STATE AND COMMUNE.

This is difficult and can not possibly be determined after a fixed rule. It follows from the nature of the subject that administration is always a matter of state wherever its tasks require a uniform solution, and only a rigid centralization of the organs and a consequent subordination of the members (links) can result in a beneficial execution of the state will. At present this competency of state extends over foreign affairs, army, navy, and justice, but so far as the provinces of finances and of the interior are concerned a competition between state and commune takes place.

The communes are corporations or associations of a public legal character, like the state resting on a territorial basis and a compulsory membership. They distinguish themselves from each other only in a quantitation, not in a qualitative respect. The commune is an image of the state *en miniature;* in its sphere of activity it has to pursue essentially the same ends. What tasks fall in this respect to the communes can hardly be enumerated. Their number depends on the readiness and ability of the population for the assumption of state functions and on the extent and efficiency of communes. At any rate the Prussian state uses to a considerable extent the services of municipal authorities for the attention to mere state affairs, such as collection of taxes, police administration, keeping registers of military enrollment, etc.

(*b*) PRUSSIAN ORGANISM OF AUTHORITIES.

(A) *State authorities.*

(1) *Central authorities:* (*a*) State council, (*b*) state ministry, and (*c*) nine ministries or departments above enumerated.

(2) *Mediate authorities:* (*a*) President-in-chief of a province, (*b*) residents and governments of the governmental districts (each province having two to four of such districts), (*c*) the landrath (prefect) of a kreis (circuit).

All these single functionaries are assisted by a body of self-administration for the district placed under their government.

(3) *Local authorities of state* do not exist for the single communes.

Only in larger cities the police administration is vested in royal police departments, the chief of which is generally titled police president.

As far as the German Empire is concerned the same has organized only central authorities, as above described, using, in particular, the services of the authorities of the confederate states for the exercise of administration.

(B) *Communal authorities*

(1) Of provinces are the provincial diet. Business is conducted by a provincial committee and the "landes-director" (director of the country).

(N. B.—*The city of Berlin has the rights and duties of a province.*—This circumstance must be continually borne in mind to understand the variety of functions incumbent on the municipal authorities of Berlin, a circumstance which compelled me to enlarge so much on the "dove-tailed" organization of this country.)

(2) A kreis (circuit) may embrace a single city of sufficient extent or a rural district, or may include several towns and rural communes. A kreis is represented by a kreistag (circuit diet), by a "circuit committee" (kreis ausschuss), and the landrath (prefect) again, already mentioned as representative of state for the execution of the state will within a kreis.

In a stadt-kreis (city circuit) the board of aldermen takes the place of the kreistag, and the magisterial senate (burgomaster) the place of the circuit committee.

(3) *Local communes.*—They divide into cities, rural communities, and independent manorial districts.

For the purpose of this report I desist from enlarging upon the functions of all these organs, both of state and communes, unless the otherwise separate functions of them, coinciding in or being concentrated upon the city of Berlin in its multiple character as province, kreis, city, and local community, have come into consideration. It is now the place to speak of the administration of cities in particular.

Cities.—For cities and hamlets not exceeding 2,500 inhabitants in number a simplified constitution is applicable. The character as city is given to a town or other communalities under the provisions of the "Prussian cities act" alluded to.

The organs of the city are: (1) The burgomaster (mayor); (2) magistracy (magisterial senate); (3) board of aldermen.

The magistracy is a body charged with the administration of the city property. The board of aldermen represents the burghesses and controls the administration. The burgomaster directs and superintends the entire run of business, and is responsible for the current administration of affairs.

From the statements made above there appears conclusively the twofold sphere of activity of all Prussian communities or municipal corporations.

Since they are not confined to their own communal concerns, over which they have retained a lawful control, communal life does not receive its full efficacy until the exercise of state functions is transferred to them. This double nature of communes, as economical and magistratic corporations, existed ages ago both in Germany and Prussia. The same has by the recent reform legislation been re-organized and extended. This specially applies to provinces, and Berlin, which I repeat, *is a province* in the meaning of the law.

Its competency now embraces the following branches of administration: (1) Vagrant paupers; (2) charitable institutions; (3) meliorations of the land, bridges, ways, roads, fire insurance of buildings, provision for art, science (archives, museums), education, relief and loan funds, institutions for insane, blind, deaf, dumb persons, idiots, houses of correction, sheltering of orphans, and reformatory for children.

For defrayment of the costs of this administration provinces receive annuities from the state treasury. This kind of administration exists separate from and beside the state administration.

To a far greater extent the communes are intrusted, or rather charged, with tasks of state administration, namely: Care of paupers, the collection of state taxes, keeping the registers of marriages, births, and deaths, primary schools, keeping registers of enrollment, contributions or serv-

ices for the army and navy, construction of public roads, and the maintenance of police force.

For these purposes the state grants no means, for which reason the efficiency of the communes appears to be taxed to the utmost. Yet in case of overburdening the superior municipal corporations they are entitled to relief.

Thus, considering the multifarious tasks imposed upon the communes, these latter appear as the forces of the whole public life and as the basis of the entire state structure. Therefore the maintenance of communal efficiency constitutes the main problem of legislation.

VII.—RELATIONS OF THE BERLIN CITY GOVERNMENT TO THAT OF THE STATE.

As above stated, the present communal constitution of Berlin is derived from a state law, known as the "Staedte ordnung" of May 30, 1863, a revised edition of the old "cities' act" of 1808, schemed by Stein.

This cities' act declares the community to be a corporation subject to the supreme supervision of the state, but concedes to it self-administration in a measure, defined by the law, and permits it to make supplementary statutory regulations as to all matters regarding which the "cities' act" is silent, or permits variations. Such regulations require the confirmation of the state authority.

The supervision of the state in the affairs of the community is vested, except in particular instances defined by law, in the president in chief (ober-präsident) for Berlin, who is appointed by the sovereign, and, upon appeal, in the minister of the interior. All appeals against decisions in municipal affairs to this authority must be made within a prescribed period.

When a resolution is passed by the board of aldermen, or the magistracy exceeds the limits of its authority, or is unlawful or injurious to the welfare of the state, it becomes the duty of the state supervising authority to cause the first burgomaster to prevent, for the time being, the carrying out of the measure objected to, and to report at once on the subject of the resolution to that authority, which then renders the decision with a statement of the grounds upon which it is based. When the board of aldermen fails or refuses to enter upon the budget the burdens legally resting upon the community, or to make other extraordinary provisions for the same, it devolves upon the state authority to cause such entry to be made, or itself to fix the amount of the extraordinary expenditure. The board of aldermen may be dissolved by a decree of the sovereign, in which event a new election must take place within six months, the functions of this body being in the mean time performed by commissioners appointed by the minister of the interior.

In case an understanding or agreement is not reached between the board of aldermen and the magisterial senate in matters which the laws direct shall be carried into effect by the latter body, the decision rests with the state authority. The consent of this authority is also necessary for the alienation of real estate owned by the city, for the sale or material alteration of objects which possess a particular scientific, historical, or artistic value, and especially of archives; for laws which impose a debt burden on the community or increase an already existing one. Its consent is further necessary in order to raise money for municipal needs by the addition of a percentage to certain state taxes, in fixing the compensation of salaried members of the magistracy, and for changes made in their pensions.

It will be seen that the state has reserved to itself very extensive rights of surveillance over and intervention in the local government.

No occasion for the intervention of the state authority has existed, it seems, heretofore, and it is only of late that strife has disturbed the former harmony of the two municipal bodies and the electors of Berlin. The good and harmonious working of these two bodies is no doubt due in a great measure to the peculiar constitution of permanent executive committees, in which both bodies are represented, and to which committees the greater part of the municipal business is entrusted.

In Berlin such permanent committees, by which the affairs of the city are chiefly administered, but few branches being reserved for the magistracy alone, and but few occasions arising in which it is necessary that this body should act collectively, are mixed, being constituted one-third of members of the magistracy, and two-thirds of the members of the board of aldermen. These committees are assisted in the discharge of their duties by sixty citizens, experts, who are qualified voters, appointed by the magistracy with the advice of the board of aldermen.

The following are the various branches of business administered by the committees and subcommittees constituted in the manner above indicated:

1. City real property.
2. Lighting.
3. City taxation.
4. City indebtedness.
5. City schools.
6. Library and archives.
7. Provincial museum.
8. Churches.
9. The poor.
10. Care of orphans.
11. Work-house, insane asylum, idiots.
12. City hospital.
13. Sanitary matters.
14. Parks and gardens.
15. Building.
16. Sewerage.
17. Fire insurance.
18. Fuel.
19. Stationery.
20. Local police.
21. Street cleaning.
22. Industry and trade.
23. Water-works.
24. Statistics.
25. Unpaid taxes.
26. Invalids and veterans.
27. Military enrollment.
28. Quartering of soldiers.
29. Civil registration.
30. Servants' reward fund.
31. Charity institutions.
32. Finance.

FINANCIAL ADMINISTRATION OF BERLIN.

I commence with some translated extracts bearing upon this topic from the "cities' act" above referred to:

Title I, § 4. All inhabitants of the city territory have the right to the joint use of the public communal institutions of the city and are bound to share, in conformity with the provisions of this act, in the municipal taxes of the city.

Title 8, § 53. To the extent to which the revenues from this property of the city do not suffice to procure such pecuniary means as are requisite to meet the wants and the liabilities of the community, the board of aldermen may resolve upon levying municipal taxes.

These may consist—

(I) In taxes collected in addition to the taxes collected for the state, in which case the following provisos shall be applicable:

(1) The tax for the trade of hawkers or peddlers shall not be burdened thereby;

(2) Real estate situated outside the community shall remain out of account;

(3) The approval of the Government shall be required—(*a*) for all taxes in addition to income tax; (*b*) for all taxes to be collected in addition to all other direct taxes, if such additional tax either exceeds 50 per cent. of the state taxes, or should not be distributed in equal proportion among these taxes. Such approval is not provided of the last class—"paying class"—tax shall be entirely exempted or pay a lower amount; (*c*) for all taxes in addition to the indirect taxes.

(II) In special, direct, or indirect municipal taxes, which require the approbation of the Government, in case of their being newly introduced, enhanced, or altered in their principles.

COMMUNAL HOUSEHOLD OF BERLIN.

The said cities' act provides further (Title VII) that annually, at the latest in October, the magistracy is required to make out a budget of all municipal expenditures and revenues that are susceptible of being calculated in advance, which, after it has been open to public scrutiny at prescribed places for a certain period, must then be definitely settled by the city council, a copy of the same being supplied to the supervisory council of the state.

The following figures and data are taken from the budget approved for the fiscal year ending March 31, 1888:

Item.		Revenues.	Expenditures.
I.—*Exchequer administration.*			
		Marks.	*Marks.*
(1) Real estate within the city		372,442	111,961
(2) Real estate outside the city		78,113	23,837
(3) Limestone quarry		67,700	3,310
(4) Privileges—	*Marks.*		
(*a*) Miscellaneous	34,000	.....	5,500
(*b*) Public scales	34,650	.....	8,302
(*c*) Market-stand moneys	52,000	.....	.....
(*d*) Unclaimed inheritances	6,000	.....	.....
		126,650	6,000
Total I		644,905	158,910
II.—*Management of city works.*			
Surplus from—			
(*a*) Gas-works		4,891,750	.....
(*b*) Water-works		1,406,078	.....
(*c*) Sewerage (additional amount)		.....	2,588,062
(*d*) Central cattle-yard		298,000	.....
(*e*) Market halls		.....	.....
Total II		6,595,828	2,588,062
III.—*Tax administration.*			
(*a*) Rental tax (6⅔ per cent. of rental or lease value)		12,100,000	16,000
(*b*) House tax (2⅔ per cent. of total proceeds of utilization of premises)		4,200,000	
(*c*) Dog tax (9 marks per dog, yearly)		290,000	4,000
(*d*) Municipal income tax (100 per cent. of the class tax or state income tax)		13,166,493	180,000
*(*f*) Tax on ambulatory stores of goods		150	.....
Total III		30,206,643	200,000
IV.—*Administration of capitals invested and debts.*			
	Marks.		
(*a*) Interest from capitals invested	30,000		
(*b*) Re-imbursements paid by licensed gas-works out of their sinking funds for loan made to them by the city in 1869	375,854		
		405,854	.....
(*c*) City sinking fund		.....	3,070,942
For payment of debts (sinking fund) received out of the treasury of the city works, viz:			
	Marks.		
(*a*) Gas-works account	465,891		
(*b*) Water-works account	715,142		
(*c*) Sewerage account	945,288		
(*d*) Central cattle-yard account	166,695		
(*e*) Market halls account	114,000		
		2,407,016	.....
For payment of interest received out of the treasury of the city works, viz:			
	Marks.		
(*a*) Gas-works account	433,906		
(*b*) Water-works account	1,585,641		
(*c*) Sewerage account	2,934,604		
(*d*) Central cattle-yard account	472,716		
(*e*) Market halls account	567,160		
		5,994,027	.....
Sundries		.....	6,500
For mortgages' interests (real estate purchased for school purposes)		.....	113,245
Total IV		8,806,897	10,433,887

*It would seem that a tax indicated by (*e*), amounting to 450,000 marks, has been omitted.

Item.		Revenue.	Expenditures.
V.—*Education department.*			
(1) Higher schools for boys (100 marks yearly school money per boy)—		*Marks.*	*Marks.*
(*a*) 11 gymnasia		690,364	1,300,532
(*b*) 7 real-gymnasia		461,633	854,365
(*c*) High-real schools		111,202	227,355
(*d*) High burghers' schools (80 marks per boy)		45,130	125,140
Total V 1		1,308,329	2,507,392
(2) Young ladies' high schools (100 marks yearly school money) five schools		387,030	465,764
(3) Establishments for gymnastics		13,150	150,104
(4) Scientific school programmes		150	
(5) Primary schools (no school money)			7,460,954
	Marks.		
Real estate	46,931		
Fines for not visiting school	1,400		
Sundry receipts	23,200		
		71,531	
(6) School for deaf and dumb persons		1,157	66,182
(7) Schools for continued instruction of former visitors of primary schools and libraries		19,550	209,090
(8) Industrial education			109,426
Total V		1,800,897	11,064,962
VI—Ecclesiastical purposes			62,508
VII.—*Pauper department.*			
(1) Paupers—	*Marks.*		
(*a*) Privileges	20,700		
(*b*) Re-imbursements	420,000		
(*c*) Sundries	200		
		440,900	
Relief			4,737,060
(2) Hospitals of the city (church money, burials)		28,375	187,379
(3) Orphans			956,457
	Marks.		
Interest from real estate, receipts from church, re-imbursements, proceeds of gardens, dairy farming, workshops	140,379		
Sheltering of badly-nursed children	36,000		
		176,379	72,000
(4) Working-house, with asylum for persons without shelter			430,521
Chiefly wages		88,291	
(5) City shelter-house (new)		3,100	52,419
Total VII		737,045	6,435,836
VIII.—*Hygienic institutions.*			
(*a*) Infirmaries		10,376	123,834
(*b*) Two city hospitals		247,900	1,019,985
(*c*) Asylum for insane and idiots		171,800	1,545,425
(*d*) Sundry sanitary purposes			43,550
	Marks.		
(*e*) Bathing places	15,000		
(*f*) Disinfection places	40,545		
		55,645	131,610
Total VIII		485,721	2,864,404
IX.—Public parks and gardens		24,728	524,591
X.—*Building department.*			
(*a*) Above-ground buildings:	*Marks.*		
High schools	348,000		
Buildings for fire department; public balances	2,826,500		
		3,174,500	5,820,125
(*b*) Streets and bridges:			
(1) For pavement and drainage (annuity paid by the tramway companies for streets in which their cars are running)	1,541,460		
(2) Macadamized roads (belonging to the State, annuity from the State), for their maintenance	256,771		
(3) Bridges and water structures	1,532,000		
(4) Wells	19		
(5) Enlargements of two streets	2,166,000		
		5,496,250	9,512,124
Total X*		8,670,756	15,332,259

* In this total are contained 6,389,500 marks taken from loans.

Item.		Revenue.	Expenditures.
XI.—*Costs of administration.*			
Salaries, stationery, pensions, relief		*Marks.*	*Marks.* 5,463,626
	Marks.		
(*a*) State contributions for levy state taxes	195,213		
(*b*) Hortatory moneys	61,500		
		256,713	
(*c*) Costs of suits at law and the like		103,385	
(*d*) Contributions from city official for the widow pensions fund		168,820	
Total XI		528,918	5,463,626
XII.—*Police administration.*			
(*a*) Re-imbursed fees of compulsory execution		1,000	
(*b*) Contributions paid by private fire insurance companies to pay night guards, telegraphists, firemen		456,072	
Total XII		457,072	2,981,513
XIII—Cleaning and watering streets		105,964	1,932,611
XIV.—*Sundries.*			
(*a*) Cemeteries		11,018	29,182
(*b*) Civil registries		19,000	225,135
	Marks.		
(*c*) Annuities, dotations, and taxes for maintenance of streets and macadamized roads of the city	1,044,515		
(*d*) Leases for hiring advertising columns	50,000		
(*e*) Miscellaneous	2,925		528,212
Surplus from preceding year	667,592		
		1,765,032	
Total XIV		1,795,050	782,529
RECAPITULATION.			
I. Exchequer department		644,905	158,910
II. Public works of the city		6,595,828	2,588,062
III. Taxation department		30,206,643	200,000
IV. Capitals invested and debts		8,806,897	10,433,887
V. Education		1,800,897	10,968,912
VI. Ecclesiastical purposes			62,508
VII. Pauper department		737,045	6,435,836
VIII. Sanitary institutions		485,721	2,864,404
IX. Parks and public gardens		24,728	524,591
X. Building department		8,070,750	15,332,259
XI. Costs of administration		528,918	5,463,626
XII. Police administration		457,072	2,981,513
XIII. Street cleaning, lighting		105,964	1,932,611
XIV. Sundries		1,795,050	782,529
Grand total		60,860,418	60,860,418
DEBTS OF THE CITY OF BERLIN.			
(I) Loans:			
(1) Loan of year 1828 at 3½ per cent. interest			2,299,350
(2) Loan of year 1866 at 4 per cent. interest			6,870,825
(3) Loan of year 1875 at 4 per cent. interest			18,808,500
(4) Loan of year 1876 at 4 per cent. interest			27,591,500
(5) Loan of year 1878 at 4 per cent. interest			32,646,100
(6) Loan of year 1882 at 4 per cent. interest			41,196,400
			129,412,675
(II) Loan from invalid fund of the Empire at 4½ per cent. interest			25,353,000
(III) Unpaid purchase moneys for premises acquired			300,000
Total debts			155,065,675
These debts must be placed to the debit of the following account:			
(*a*) Of gas-works			20,199,986
(*b*) Of water-works			36,323,532
(*c*) Of sewerage and irrigation fields			64,322,763
(*d*) Cattle and slaughtering yards			12,008,842
(*e*) Market halls			11,000,000
Debts debited to public works			143,855,123
Hence, proper exchequer debt of Berlin on March 31, 1885			10,093,320
Increase of debt in preceding year			1,117,232

AN ADDITIONAL LOAN OF FIFTY MILLIONS OF MARKS FOR CONTINUANCE OF PUBLIC WORKS

was last year resolved upon by the board of aldermen at the motion of the magisterial senate, viz, for continuation of sewerage, enlargement of water and gas-works, new bridges, new edifice for royal police department, additional market halls, new hospitals and asylums for insane and shelterless persons, several new high schools, the laying out of the new "Emperor William" street, and enlargement of new Friedrick street.

MERITS AND DEMERITS OF THE FINANCIAL SYSTEM OF BERLIN.

It can not be denied that the administration of the city government shows many satisfactory results, and seems to be conducted with proper economy. Traveling visitors who saw Berlin only a decade of years ago are astonished at the great changes it has undergone. In few cities is so large a proportion of territory occupied by public gardens and parks, and cared for by trained horticulturists. All public squares, since special market halls have been erected, are transmuted into pleasure grounds for the healthful recreation of thousands of children of the neighboring quarters. The constantly extending system of tramways, asphalt pavements, and electric lighting, permanent cleanliness of streets effected by an army of street-sweepers working at night, not disturbing day traffic, excite the admiration of the stranger. The incessant building activity creates on the average 700 new front houses a year, many of them being of a massive and costly structure. Several American life-insurance companies occupy most prominent streets.

The offensive open-sewerage system is being rapidly replaced by a subsurface or underground system, with utilization of the sewerage for agricultural experiments and uses.

The high reputation of all public works erected in strict compliance with the scientific requirements of our time is but too well deserved. The numerous edifices built for all sorts of schools, whether primary or high schools, are palaces. In short, Berlin makes the impression of a well-administered city, and yet the burgesses of Berlin have of recent years divided more and more into two nearly equal camps of political adversaries. The present city administration is charged by its opponents with fostering exclusively the interests of the progressionist party.

Like a bill of complaint reads the following statements made against the present city government of Berlin by a high state functionary (a privy chief councillor of administration), who, in a recent public meeting held by the conservative citizens of Berlin for electing some new aldermen, addressed his audience substantially as follows:

It is a material error to consider the activity of the city authorities exclusively from its economical side, after external communal affairs. The undivided praise bestowed upon good pavement, school-houses, sewerage, lighting, rests, notwithstanding, upon a very one-sided opinion, and leaves out of consideration not only the irrational rental tax, as well as the expensive administration of Berlin generally, but forgets also to cast a glance upon the solution of the magistratic tasks proper of the city government, partly derived from the state sovereignty, which doubtless is of a greater import than street pavement.

The financial administration of Berlin is, which is often not considered in comparison with other cities (the high additional taxes of which are liked to be cited in favor of Berlin's administration), much facilitated by the fact that the state pays a yearly amount of 7,000,000 of marks for personal (salaries, etc.) expenditures on account of the municipal police administration, while the city pays only 2,400,000 marks of impersonal expenses for the sake of fire and night-watch administration. * * * It was not until the present legislation (since 1875) was inaugurated that the construction of streets was facilitated, and great priveleges were granted to the administration over and against adjacent streets. Not until since then these adja-

cents are bound to give gratuitously territory for new streets, to pay the construction of the sewerage of the streets, and to maintain the streets for five years. Besides this the state treasury pays to the city an annuity, in all 800,000, for the assumed duty to construct such roads as formerly belonged to the state (fiscal roads).

The care for the economical ends of the city, however, does not exhaust the duty of the administration, which to a much greater extent has to exercise also a magistratic authority, and to which both under the old and recent economical laws a number of duties have been assigned to the city government—duties which show how important it is, whether or not the city authorities evince a friendly disposition towards them. The magistracy possesses the magistratic supervisory right over the guilds, has to decide disputes between employers and their working people; the city committee, appointed by the magistracy, has important functions as police authority over trade, and as to granting licenses to tavern and inn keepers. The city wards' committee exerts a decisive influence in the execution of the new social-political acts already promulgated or still to be promulgated.

All of which is to be taken into consideration in the election of men who are to be members of the municipal magistrates; nor holds it good that the right of self-administration would be supported by the progressive party alone. We see, on the contrary, that this party at the city hall evinces no sympathy toward the social-political reforms, as expressed by the imperial message, but rather inclines to obstruct their execution. * * * *

Another speaker stated additionally, as follows:

The administration of Berlin is a very costly one, and rests on false economical principles. Since 1875 195¼ million marks loans have been contracted, and not only extraordi ary, but also ordinary expenditures, such as for building of schools, have been defrayed therefrom. If this keeps on that way, we have for the mere payment of interest to raise four times as many taxes as twenty years ago. Up to the present, the construction of the sewerage alone has required an additional sum of about 8,000,000 of marks for the payment of interest on the capital invested therein. Without incumbering the burghesses any further, the current revenues could be increased by acquiring the profitable institutions of traffic (tramways), gas, and electrical works; by a better utilization of real estate owned by the city; further, by establishing and renting suitable stations for "recreation" in the municipal parks, etc.

STEADY GROWTH OF THE OPPONENTS OF THE PROGRESSIONIST PARTY IN BERLIN.

For the purpose of electing the board of aldermen, the voters are divided into three classes, according to the amount of taxes paid by them (communaly, circuit, provincial, and state taxes).

The first class is composed of those highest tax-payers who pay an aggregate of one-third of the entire amount of taxes paid by the entire body of voters. The second class is composed of those highest tax-payers paying the aggregate second third; and the third class of all the other voters. This class paying the lowest tax rates is, of course, the most numerous, and it is in this class that a movement commenced in 1882 againt a city government alleged to be exercised by exclusive regard for the interest of the progressionist party. Thus among the voters of the third class appearing at the polls for the election of part of aldermen, there were—

Year.	Voters.	Progressionists.	Conservatives.	Social Democrats.
1880	11,707	11,707		
1882	15,311	9,320	331	
1883	66,063	32,392	25,207	7,393
1885	19,233	7,874	6,096	5,090

On the subject of taxation itself I refer here to report of Mr. Van Versen, dated July 26, 1887, rendered from this consulate-general, which properly could be here inserted at full length.*

* See page 424.

The question which mode of taxation, whether direct or indirect taxes or a combined system may be the most equitable and just, has caused much discussion in parliamentary and other political circles, as well as a copious literature on the subject. It seems, however, that the tendency of the times points to a mixed or combined system of taxation, having the object in view of bringing all, according to their ability to do so, within the reach of contributing to the needs of a commonwealth. Most instructive and valuable in this respect seems to be a treatise of the eminent political economist, Dr. Hermann Scheffler, under the title "Die Regelung der Steuer-Einkommen, und Geldverhältnisse, und das natürliche Wahlrecht." ("The regulation of tax-income and money relations and the natural elective franchise.") The following demonstration is translated:

The tax-paying power of the individual lies unmistakably in his income, by which is meant his yearly net income; therefore the material sacrifice of every man should be a percentage of the income alike for all. If it be admitted that the income constitutes the true source of taxation, abstracting from the question whether equalness of percentage be the correct measure, nothing follows yet therefrom as to the form in which taxes are levied. In order to make a person, say A, pay a certain amount of tax, such tax may, if it is true, immediately be collected from any other person, say B, inasmuch as B has an opportunity of re-collecting this tax from the first person A. Then the direct tax for B is an indirect one for A. The form of levy is evidently immaterial; the indirect tax may just as well as does the direct tax, fulfill the fundamental principle of a just taxation; it depends entirely upon a regulation which is qualified to produce a rational effect. The necessary prerequisite of such a regulation is to know who, as the true payer of the tax, whether direct or indirect, must be regarded. For instance, the ground tax and the trade tax are considered direct taxes, though to the consumers it is really an indirect tax; all others are indirect. A bandying of words simply complicates matters for, as opposed to all other taxes which are indirect, the income tax is the only true direct tax. The tax levied upon any object or establishment, or labor, or person, or any productive thing may properly be reckoned as a constituent part of the production cost; this regulates price, and is paid for by the consumer and not by the manufacturer, who only advances the taxes.

In comparison with the acknowledgment of the fact that the producer, for common-sense reasons, is entitled to add the tax to the cost of production, it is entirely foreign to the question to discern whether at any time the producer profits by the added tax, or whether he gets a higher price for the thing produced, or that the consumer is credited with, or may be benefited by, a reduction of the tax. This acknowledgment is therefore the only authority to be considered in any court of justice, and there can be no other lawful regulation governing traffic than the principles of reason and common sense, coming with harmonious conjunction. According to this assumption, the income tax is the tax derived from the surplus of the value of the product over the cost of production, or from business earnings, or the net receipts of the producer from which the tax is paid, is the only logical one. The tax systems of the present day have created certain names for certain classes of taxation, which, while specifying that they do not relate to the income do, nevertheless, levy upon the personal belongings which are regulated by income—such is the personal tax. A property tax I do not classify as a direct tax, as it would create an advance in the rate of interest on the capital involved, and of course would be borne by the one whose capital was invested. When we speak of productions we do not necessarily understand the wares that are exposed for sale in the public markets. The laborer and the officer, the literary man and the artist are all producers, bodily or mentally, and the productions of each have a certain money value; the producer represents the fruits of his working capital in the form of interest or rent; the question of the right of capital to interest is not an argument, as this right has long since been acknowledged. Therefore, if we consider the personal tax as not strictly an income tax, since it is not collected according to the income, but in classes and ways not in harmony with the manner in which an income tax should be collected, then is each man not only entitled to add his personal tax to the expense account of his business, but also the mechanic and the official can demand that his wages or salary shall cover this tax, but this does not imply the right that his income tax, through his salary, wages, or his previously calculated business income should be covered, much more must it be demanded of him to accommodate himself to his expenses, which will enable him to defray all of his necessary expenses, including the income tax, which

is necessary not only for the state but for his own existence. So, also, must the property tax when used as a means for the support of the property, be covered by the revenues of the property, the property-owner must also expect that the revenues be large enough to dispute the payment; that is, he must be entitled to the claim of a corresponding high interest, as opposed to which the income tax, as aforesaid, does not entitle him.

The only true principle of taxation, as already said, is the proportionate rate upon the absolute ability or upon the income.

Each man's income is the price for which he delivers his personal work (physical or mental), as well as the work of his property in the revenue from his wealth (servants or general help); it is natural that from this price he restore the outlays made by the state in the form of a tax for the protection of the market of the working man, as well as for enhancing the value of his own work, also that this tax for each unity of value be the same, or that the income be proportional (if not already subject to state taxation). Unfortunately a solution of the difficulty offers many obstacles, since concealment on the one hand and discretion on the other operate adversely.

If it be true that a just tax can be levied only on the tax-paying power or income, it does not necessarily follow that it must be raised directly from the income, if every expense and saving could be reached or controlled, and if it were possible to find the same tax rate for each. So, since the sum of all the expenses and savings is equal to the income, could a tax be levied upon these expenses and savings with entire justice. This argument may very well be mentioned in favor of indirect taxation when practical reasons of great weight call for tax reform, and in fact such reasons are before us. By indirect taxation is every merchant, every mechanic, every landlord a tax-collector, who collects the tax plus the price of the product, easily and certainly, and in small amounts; as otherwise the state tax-collector, if all state claims were to be collected as an income tax, would meet continually with empty cash-boxes, obstinacy, and difficulty. Indirect taxation, may, then, live through the centuries as a practical system of collection, but at the same time, viewed from an ideal standard of government, which bespeaks a high grade of culture, it is irrational. For this reason it is that a pure indirect tax is impossible, because when the tradesman, the property man, in fact, the salesman can collect the tax in the cost of consumption to the buyer, so must the state collect directly from the seller by direct taxation of his business, his property, and his income.

The indirect tax, therefore, always presupposes the direct one; but the direct tax does not necessarily imply or include an indirect one.

F. RAINE,
Consul-General.

BERLIN, *December* 24, 1887.

TAXATION IN THE GERMAN EMPIRE, PRUSSIA, AND BERLIN.

REPORT OF VICE-CONSUL-GENERAL VAN VERSEN.

Since the establishment of the German Empire nearly all indirect taxes, in addition to the import duties, are collected through the organs of the individual German states for the Empire, while the financial system of those states, with the exception of excise collected in some cities (particularly in Prussia) instead of a direct municipal income tax, is based on direct taxation.

As all direct taxation causes much complaint and uneasiness, particularly among the lower classes of the people, the German Government have repeatedly declared that it is their earnest endeavor gradually to transform direct into indirect taxation by increasing import duties and taxes on tobacco and ardent spirits. As to this latter article this has been accomplished by the recent act, dated June 24, 1887.*

* The provisions of this law were printed in Consular Reports No. 83, September, 1887.

KINDS OF IMPOSTS, TAXES, AND ASSESSMENTS.

All taxes may be divided into five chief classes according to the receiver, viz:

I. Taxes collected for the Empire.
II. State taxes.
III. Taxes collected for the several provinces, their subdivisions (in Prussia, "Kreise,") answering perhaps to our "counties."
IV. Municipal taxes.
V. Church and school taxes or moneys.

I.—TAXES COLLECTED FOR THE EMPIRE.

In addition to all customs duties, several taxes are collected for the Empire; the act of May 14, 1885 (Lex Huene), providing, however, that if all the revenues derived therefrom should exceed the amount necessary to meet the expenditures of the Empire, the surplus revenues for the fiscal year last closed shall be distributed among the German states according to their respective population, with the express intent to relieve the lower political bodies (provinces, counties, communes) and to conduce to a reduction of direct taxes on real estate, buildings, and trades.

The following taxes are assessed for the Empire:

(1) SALT TAX

at the rate of 12 marks (=$2.85) per 100 kilograms of salt manufactured and used for home consumption, while a duty of 12.80 marks (=$3.04) is levied on salt imported.

Exempt from tax is salt if exported, and if used at home in the interest of agriculture (feeding cattle, manure) and of industry.

(2) TOBACCO TAX.

Internal taxes on tobacco are collected either by the area planted with tobacco (4.5 pfennigs per 1 square meter) or by weight of the tobacco harvested, no matter whether in a fermented state or dry, ready for manufacturing, 45 marks (=$10.71 per 100 kilograms).

Bounties or drawbacks on tobacco are granted in case of exportation per 100 kilograms net weight.

	Marks.
(*a*) In case of unfermented tobacco for smoking	33
(*b*) In case of fermented tobacco for smoking	40
(*c*) Ribbed leaf-tobacco of domestic growth	47
(*d*) Snuff and chewing tobacco of domestic growth	32
(*e*) Tobacco for smoking	43
(*f*) Cigars	50
(*g*) Cigarettes	35

(3) TAX ON SUGAR.

Although by an act approved June 1, 1886, a new classification of sugar and a new method of collecting tax on beet sugar, equaling a reduction of export bounties, was introduced, this act has just been superseded by act of July 9, 1887, to take force and effect on August 1, 1887.

Section 1 of this new act provides that from and after this date the following rates of import duties shall be collected per 100 kilograms:

(1) On sirup and molasses	15 marks ($3.57)
(2) On other sugar of all descriptions	30 marks (7.14)

If foreign sugar is consigned to a domestic sugar factory to be worked further there, the same may, subject to special orders of the federal council, be exempted from the tax of consumption (excise) hereafter described.

Section 2 provides that the internal beet sugar shall be subject to a sugar tax, to be collected—

(1) As "material tax" on the weight of the raw beets intended for the manufacture of sugar, viz, 80 pfennigs (19 cents) per 100 kilograms.
(2) As excise (tax of consumption) on the weight of sugar intended for home consumption, viz, 12 marks ($2.85) per 100 kilograms.

This "material tax" shall be paid by the manufacturer, while the excise shall be paid upon leaving the bonded sugar works or refineries for home consumption.

Bounties shall be paid in case of exportation of at least 500 kilograms, per every 100 kilograms:

(*a*) For raw sugar containing at least 90 per cent. sugar, and for refined sugar containing less than 98 but at least 90 per cent. sugar, 8.50 marks ($2.02).
(*b*) For candy and for sugar in white full hard loaves, lumps, tablets, cubes, etc., containing at least 99½ per cent. sugar, 10.55 marks ($2.51).
(*c*) For all other hard sugar (n. o. p. f.), as well as for all white dry (containing no more than 1 per cent. water) in crystals, pulverized, etc., containing at least 98 per cent. sugar, 10 marks ($2.38).

(4) BREWING TAX.

For the collection of this tax two different "tax unions" (Steuer-Gebiete) exists within the German Empire, the one union embracing Bavaria, Wurtemberg, Baden, and Alsace-Lorraine, while the other tax union (Reichssteuer-Gebiet) embraces all the other German States. In this report I speak only of the latter union, which includes Prussia.

Here the said tax is assessed on the net weight of the material used in brewing beer at the following rates per 100 kilograms:

(*a*) On grain, rice, and green starch, 4 marks (95 cents).
(*b*) On starch, starch flour, British gum, 6 marks ($1.42).
(*c*) On sugar and other malt substitutes, 8 marks ($1.90).

A so-called additional transit tax is collected on all beer imported from the first above-mentioned brewing-tax union, at the rate of 2 marks (47.6 cents) per hectoliter. On beer exported a drawback is granted of 1 mark (23.8 cents) per hectoliter.

(5) TAXES ON ARDENT SPIRITS.

Taxes on ardent spirits, viz: (*a*) Tax of consumption (excise); (*b*) mashing-tub tax.

From and after the 1st of October next an excise of consumption shall be collected at the rate of .5 mark (11.9 cents) per liter (1.0567 wine quarts) of pure alcohol, if the amount of alcohol consumed does not exceed the rate of 4½ per head of population (according to last census), but if such rate per head be larger, then 70 pfennigs (16.6 cents) per liter.

Exempt from this excise shall be (1) ardent spirits exported; (2) ardent spirits used for industrial and scientific purposes.

A "mashing-tub tax" shall hereafter be assessed only (1) from such agricultural still-houses as work exclusively grain or potatoes, and use residues or waste either as food for cattle or as manure on own estates; (2) from such still-houses as are working molasses, beet and beet-juice.

The "mashing-tub tax" is 1.31 marks (31.7 cents) per hectoliter of the capacity of the mashing-tubs, and this for every mash.

In agricultural still-houses in operation during the time from October 1 to June 15 of every year the "mashing-tub tax" shall be collected at the following fractions of the above rates:

(*a*) If in the course of one day, on an average, not more than 1,050 liters of the capacity of the mashing-tub are mashed, only at .6;
(*b*) If not more than 1,500 liters, at .8.
(*c*) If not more than 3,000 liters, at .9.

(*c*) A tax on materials used in making spiritous liquors shall be collected per hectoliter:

(*a*) On husks of grapes beaten together, 35 pfennigs (8.5 cents).
(*b*) Kernel fruit, their waste, and all kinds of berries, 45 pfennigs (10.7 cents).
(*c*) On brewing refuse, pressed dregs of wine, and roots of all kinds, 50 pfennigs (11.9 cents).
(*d*) On wine and cider, liquid dregs of wine and stone fruit, 85 pfennigs (20.5 cents).

A repayment of the "mashing-tub tax" and the "tax for materials used in making spirituous liquors" may be granted by the federal council not only for spirits used in industry, but also in case of spirits used for sanitary and scientific purposes, or for cleaning, heating, cooking, and illumination. Section 42 of the new spirits tax act provides further for an additional tax to excise in case of so-called industrial still-houses (not agricultural), if working farinaceous substances or mixtures of farinaceous and non-farinaceous substances. On ardent spirits manufactured in such "industrial" still-houses, as far as they are subject to an excise, an additional tax of 20 pfennigs (4.7 cents) per liter of pure alcohol shall be levied.

(6) TAX ON BILLS OF EXCHANGE AND PROMISSORY NOTES.

Makers or acceptors or indorsers of these bills and notes are bound to provide them with stamps issued and sold by the Empire. A stamp is required as follows:

	Pfennigs.
For a sum not exceeding 200 marks	10
From 201 to 400 marks	20
From 400 to 600 marks	30
From 601 to 800 marks	40
From 801 to 1,000 marks	50
For every additional 1,000 marks	50

(7) BOURSE TAX.

The following rates are collected as "bourse tax":

(1) Five per mille of the nominal value of stocks and shares delivered, disposed, and hypothecated, etc.
(2) Two per mille of the nominal value of bonds, papers of annuities, delivered, disposed of, and hypothecated, etc.
(3) One per mille of the nominal value of bonds payable to bearer.
(4) (*a*) One-tenth per mille on the value of the object of transaction in case of purchase of foreign bank-notes, paper money, foreign coins, etc.; and of securities mentioned under 1, 2, and 3. (*b*) Two-tenths per mille on the value of the object of transaction in case purchases are made according to the usages of exchange, spot, time, lottery, and similar bargains, with regard to the quantities of goods as a rule negotiated at exchange.
For transactions under 4*a* and *b* such rates shall be paid for every full 2,000 marks.
(5) Five per cent on lots of public lotteries.

(8) TAX ON PLAYING CARDS.

Thirty pfennigs (7.14 cents) for every play of 36 sheets or less, and 50 pfennigs (11.9 cents) for every other play.

II.—PRUSSIAN STATE TAXES.

(1*a*) CLASS TAX.

[NOTE.—The account given of this class tax by Mr. Van Versen was not so clear as that which will be found *post*, in Consul-General Mueller's; it is therefore omitted.]

The income tax is levied on the income derived from (1) real estate, (2) capital, (3) trade, business, or from any paying occupation.

(2) TRADE TAX.

This is levied on (1) commerce; (2) hotels, restaurants, inns; (3) manufactories and trades employing a number of assistants; (4) mill industry; (5) navigation, freight establishments, livery stables, etc.; (6) peddlers.

In order to estimate the amount of trade tax to be levied, it is customary to suppose a medium tax; thus, if there are 80 trade-tax payers in one class at a given place and the medium from the total of such tax is found to be 30 marks, the amount of the tax will be for the next fiscal year $30 \times 80 = 2{,}400$ marks for the class of traders concerned.

In case the tax-payer is not able to pay the medium tax a lower rate is granted him, and the amount falling short is added to the taxes of the other rate-payers, but the total of 2,400 marks must be paid by all the 80 trade-tax payers, no matter at what percentage each of them shares in this total, previously estimated and fixed by a committee of members, a moiety of which is chosen from the respective class of trade-tax payers, and the other moiety appointed by the Government.

This system is rather complicated.

(3) TAX ON BUILDINGS.

This tax is paid for all buildings, court-yards, and house gardens belonging thereto, if their area exceeds 25 ares 53 square meters (=1 Prussian morgen, equal to about 1 acre, 1 rood, 1 perch) in extent. Exempt therefrom are all public edifices of State, churches, schools. Tax is paid at the rate of 4 per cent. on the premiums derived from rentals of dwelling-houses, while 2 per cent. is paid on revenue from buildings devoted to industrial and commercial purposes.

(4) TAX ON LANDED ESTATES (GROUND TAX).

This tax is paid in Prussia at the average rate of 9.50 per cent. on the net proceeds of such estates. Real estates belonging to the State and other commonwealths are exempt.

(5) STAMP TAX.

Stamps must be procured from and lawfully attached by official stamp distributors to all instruments in writing at the following percentages of the sums in consideration:

	Per cent.
(1) In case of bonds	½
(2) Protocols relating to public sales, contracts of lease, and sale of furniture or other chattels	¼
(3) Insurance policies	¼
(4) Contracts of sale or exchange of real estates; inheritances and deeds as to donations *inter vivos* if the legatees or devisees were in the service either testator or donator	1

	Per cent.
(5) Inheritances and deeds as to "donations *inter vivos*" to adopted children, or to brothers and sisters of both half and full blood, and to their descendants	2
(6) Entailed estates	3
(7) Inheritances and deeds as to donations *inter vivos* (n. o. p. f. under 4 and 5)—	
(*a*) To relatives up to the sixth degree of relationship	
(*b*) To step-children and their descendants	4
(*c*) To children and parents of law	4
(*d*) To illegitimate children recognized by parents	4
(*e*) In addition thereto must be paid on all sums bequeathed to public institutions of charity, instruction, education, and the like	4
(8) All other inheritances and donations	8

III.—TAXES COLLECTED FOR THE (SIX EASTERN) PRUSSIAN PROVINCES AND THEIR SUBDIVISIONS "KREISE" (COUNTIES).

(1) COUNTY TAX.

The inhabitants of a "Kreis" are bound to pay a special tax according to the wants of their district. This tax is paid in percentages of and in addition to the direct state taxes paid by them, and is of a much varying range.

(2) PROVINCIAL TAX.

Under the control and administration of the several provinces there are charitable and other public institutions which to organize or to maintain would go beyond the means of a single "Kreis." Such are lunatic asylums, penitentiaries, asylums for deaf, dumb and blind persons; obstetrical schools; provincial relief and loan funds; insurance societies against fire and hail and the like. To meet these emergencies a provincial tax is assessed, by making a repartition of the total sum required among the "Kreises" of the province. This tax again is levied at certain percentages of, and in addition to the direct state taxes paid by the several Kreises. There are no fixed rates in this case either.

IV.—MUNICIPAL TAXES.

Every Kreis is again subdivided into "communes," being either towns or "Landgemeinden" (communes of the country). Large cities constitute or form Kreises of their own. Only Berlin occupies an exceptional position in the Prussian monarchy. It constitutes a city, Kreis, and province combined. Though it will furnish a good example as to the total amount of all taxes, duties, imposts and tolls paid by a Prussian inhabitant, yet the high standard of its tax percentages can hardly be regarded as typical for other places; its position as the capital of the German Empire necessitating a number of expenses for public works, for model facilities of trade and traffic, which smaller places may, without injury to the interests of their occupants, dispense with.

To defray the expenditures for local purposes the communes are under law permitted to collect certain taxes on houses, rentals, incomes, dogs; tolls on macadamized roads, bridges, ferries; or (which many cities do) to levy an excise, laid on articles of food (mill ground articles, cattle, meat) entered for consumption (octroi; in German called Mahl-und Schlacht-Steuer).

In Berlin this octroi is not collected. The city derives its income from—

(*a*) *House tax.*—Paid by the owners of the houses, at present at the rate of 2§ per cent. of the amount of rentals received.

(*b*) *Rental tax.*—Paid by the tenants at the rate of about 6⅔ per cent. of the amount of rental paid.
(*c*) *Municipal income tax.*—This is collected mostly at the rate of 100 per cent. of the amount of class or state income tax paid.
(*d*) *Dog tax.*—Per dog and year, 9 marks.

Military persons, formerly exempted from the payment of municipal taxes, have, at the urgency of progressive party, been subjected to same (see act of March 14, 1887), and have now to pay a municipal tax at progressive rates of their incomes; for instance—

	Marks.
Incomes not exceeding 660 marks	3
Incomes within—	
800 to 2,100 marks	42
3,600 to 4,200 marks	108
7,200 to 8,400 marks	216
14,400 to 16,800 marks	432
32,400 to 36,000	972

On the other hand, as a sort of tax may be regarded the liability of all inhabitants to give food and quarters to soldiers and military horses passing occasionally through the communes; a liability which under circumstances, say in troubled times, may become very onerous and expensive.

Thus Berlin alone for the fiscal year, reported, of 1884–'85 expended 248,912 marks—the sum re-imbursed by the military commissariat being deducted—for the daily maintenance of about 1,343 men and 376 horses, on an average. By act of June 21, 1887, the German Government tries, however, as much as possible, to exonerate the communes in that respect.

VI.—CHURCH AND SCHOOL TAXES.

All members belonging to the so-called Evangelical or State Church (a union established since about the year 1830 of the largest portions of the Lutheran and Calvinistic churches in Prussia) have at present to pay a church tax in Berlin at the rate of 5½ per cent. of the state or classified state income tax.

Persons belonging to other denominations can not be compelled by the state to pay same, though they may tax themselves at higher rates than here just reported for their own denomination.

SCHOOL TAX.

Under the Prussian common law the communes or their legal representatives (patrons, manorial-estate holders, etc.,) are bound to provide for the organization of schools, the erection of buildings and their maintenance, all this subject to the control of the state. To poorer communes the state contributes part of costs of school buildings.

A principle is laid down that a not wealthy commune would not be overtaxed if they would pay even half the amount of the class tax to be assessed of them.

As alluded to under I of this report, the surplus of import duties and indirect taxes collected for the German Empire shall be turned to the benefit of the poorer commonwealths. For the current fiscal year the Prussian budget shows therefore an item of nearly twenty millions expressly intended for the exoneration of communes, cities, kreises, and provinces.

Percentage of direct state taxes, per head, of the Berlin population, during the last eight years reported (1878–1886) varied from 14.92 to 13.98 marks per year.

In the last-mentioned year, for instance, Berlin, then having 1,272,227 inhabitants, paid the following sums of direct state taxes, viz:

	Marks.
(*a*) Ground tax	11,108
(*b*) Building tax	5,744,135
(*c*) Trade tax	2,460,563
(*d*) Classified income tax	7,646,037
(*e*) Class tax	1,821,876
Total	17,683,719

or 13.98 marks per head of population.

Of indirect taxes (import duties, taxes of consumption, tax on play cards, inheritances, on bonds, securities, etc.,) viz:

	Marks.
(*a*) State tax	561,405
(*b*) Ardent-spirit tax	36,575
(*c*) Brewing tax	1,474,368
(*d*) Tobacco tax	13,918
(*e*) Play-card tax	1,195
(*f*) Tax on bonds, securities (Bourse tax)	4,129,192
(*g*) Inheritance tax	961,340
(*h*) Toll on bridges, port dues	182,943
(*i*) Stamp tax on documents, deeds, etc	3,001,865
(*k*) Import duties	19,547,603
Total indirect taxes	29,910,404

or 24.08 marks per head of population.

Of Berlin municipal taxes.

	Marks.
(*a*) House tax	3,782,910
(*b*) Rental tax	10,752,821
(*c*) Dog tax	284,638
(*d*) Municipal income tax	11,415,483
(*e*) Brewing-malt tax	432,525
(*f*) Supplemental tax for deficiencies	283,296
Total municipal taxes	26,951,673

or about 21 marks per head.

RECAPITULATION OF THESE PERCENTAGES.

Hence every Berlin inhabitant (without regard to the many persons exempted or paying—as all officials do—reduced rates) has to pay—

	Marks.
(1) Of direct taxes:	
(*a*) To the state	13.98
(*b*) To the city	21.20
Total direct taxes	35.08
(2) Of all indirect taxes	24.08
In toto	59.16

Herein are not included what Berlin house-owners have to pay to have their houses connected with the system of sewerage and canalization, and for the gas and water consumed within their houses, nor are included what higher social classes have to pay in case they send their children to higher schools (gymnasia, polytechnical schools, etc.,) instead of primary schools. For the latter no special school money is collected in Berlin.

F. VON VERSEN,
Vice-Consul-General.

BERLIN, *July* 26, 1887.

TAXATION IN PRUSSIA.

REPORT OF CONSUL-GENERAL MUELLER.

A.—DIRECT TAXES.

The direct taxes levied and collected in Prussia for the administration and maintenance of the Government are known and described as follows:

I. Class taxes.
II. Graded income tax.
III. Land taxes.
IV. Taxes on buildings.
V. Taxes on occupation and trades.

I.—CLASS TAXES (CLASSENSTEUER).

Subject to the payment of class taxes are all persons having their own household, and all persons supporting themselves by their own means independent of the head of the family or household they may belong to. Only to physical persons, *as such*, or to the individual *per se* this class tax attaches; it has no bearing upon firms, corporation societies, or what is called "moral persons."

By law the class tax-payers are divided into twelve distinct classes; formed upon the basis of the annual income.

The classification and the normal annual tax of each class are as follows:

Class.	Annual income.	Tax.	Class.	Annual income.	Tax.
	Marks.	*Marks.*		*Marks.*	*Marks.*
First	420 to 600	3	Seventh	1,500 to 1,650	30
Second	600 to 900	6	Eighth	1,650 to 1,800	36
Third	900 to 1,050	9	Ninth	1,800 to 2,100	42
Fourth	1,050 to 1,200	12	Tenth	2,100 to 2,400	48
Fifth	1,200 to 1,350	18	Eleventh	2,400 to 2,700	60
Sixth	1,350 to 1,500	24	Twelfth	2,700 to 3,000	72

The tax is payable in quarterly installments.

II.—GRADED INCOME TAX (CLASSIFIZERTEREINKOMMENSTEUER).

This tax is levied and is to be paid by all persons having an annual income over and above 3,000 marks per annum. The persons subject to the payment of this tax are divided into classes, which classification, with the annual tax assessed upon each class, is as follows:

Class.	Annual income.	Tax.	Class.	Annual income.	Tax.
	Marks.	*Marks*		*Marks.*	*Marks.*
First	3,000 to 3,600	90	Twenty-first	48,000 to 54,000	1,440
Second	3,600 to 4,200	108	Twenty-second	54,000 to 60,000	1,620
Third	4,200 to 4,800	126	Twenty-third	60,000 to 72,000	1,800
Fourth	4,800 to 5,400	144	Twenty-fourth	72,000 to 84,000	2,160
Fifth	5,400 to 6,000	162	Twenty-fifth	84,000 to 96,000	2,520
Sixth	6,000 to 7,200	180	Twenty-sixth	96,000 to 108,000	2,880
Seventh	7,200 to 8,400	216	Twenty-seventh	108,000 to 120,000	3,240
Eighth	8,400 to 9,600	252	Twenty-eighth	120,000 to 144,000	3,600
Ninth	9,600 to 10,800	288	Twenty-ninth	144,000 to 168,000	4,320
Tenth	10,800 to 12,000	324	Thirtieth	168,000 to 204,000	5,040
Eleventh	12,000 to 14,400	360	Thirty-first	204,000 to 240,000	6,120
Twelfth	14,400 to 16,800	432	Thirty-second	240,000 to 300,000	7,200
Thirteenth	16,800 to 19,200	504	Thirty-third	300,000 to 360,000	9,000
Fourteenth	19,200 to 21,600	576	Thirty-fourth	360,000 to 420,000	10,800
Fifteenth	21,600 to 25,200	648	Thirty-fifth	420,000 to 480,000	12,600
Sixteenth	25,500 to 28,800	756	Thirty-sixth	480,000 to 540,000	14,400
Seventeenth	28,800 to 32,400	864	Thirty-seventh	540,000 to 600,000	16,200
Eighteenth	32,400 to 36,000	972	Thirty-eighth	600,000 to 660,000	18,000
Nineteenth	36,000 to 42,000	1,080	Thirty-ninth	660,000 to 720,000	19,800
Twentieth	42,000 to 48,600	1,260	Fortieth	720,000 to 780,000	21,600

NOTE.—For every 60,000 increase of income 1,800 marks additional.

The income tax is payable in quarterly installments; foreigners staying in Prussia more than one year must expect to be taxed on their income after the expiration of the first year.

III.—LAND TAXES (GRUNDSTEUER).

The amount of taxes to be realized from land is fixed at 39,600,000 marks; this tax attaches to the land proper, apart from buildings or improvements created thereon; it is levied upon the net value of the estimated average yield of agricultural products. The fertility of the soil and the grade of its culture determine the appraisement for taxing purposes, irrespective of other property conditions. For the purpose of arriving at the net income of the land, the quality and character of the land and the kind of products raised thereon and the agricultural uses to which it is devoted are taken into consideration.

Unproductive lands pay little taxes, if any at all.

The rate of taxes collected from land is about 9½ per cent. from the estimated value of its yield. For the interest on mortgages encumbering the land allowance is made at the appraisement, which is to take place at the intervals of ten years.

IV.—TAX ON BUILDINGS (GEBAEUDESTEUER).

This tax is assessed upon all buildings of a permanent character inclusive of the ground upon which erected and of the yards and gardens belonging thereto; provided that the area of the gardens do not exceed § of an acre. Gardens of larger size are subject to the land tax.

Wood-sheds, huts, shanties, shops, limekilns, baking-ovens, and structures of a mere temporary nature, do not come under the term of buildings, and bear no tax. Buildings principally devoted to dwelling purposes pay 4 per cent. tax annually upon the yield of income or rental value. Theaters, ball, bathing, club houses, and buildings occupied for kindred purposes pay 4 per cent.

Buildings and structures exclusively devoted to commercial, mechanical, and manufacturing uses pay 2 per cent. annual tax upon their rental value; the machinery and fixtures in such buildings are not taken into account.

Each building liable to be taxed is classified in accordance with its annual rental value, and the annual rate of tax assessed and fixed for each of the several classes is shown by the following:

Tariff for the levy of taxes on buildings.

Grade.	Annual rent of building.	Annual tax.		Grade.	Annual rent of building.	Annual tax.	
		Four per cent.	Two per cent.			Four per cent.	Two per cent.
	Marks.	*Marks.*	*Marks.*		*Marks.*	*Marks.*	*Marks.*
First	12	.40	.20	Twenty-third	675	27.00	13.50
Second	18	.60	.30	Twenty-fourth	750	30.00	15.00
Third	24	.80	.40	Twenty-fifth	825	33.00	16.50
Fourth	36	1.20	.60	Twenty-sixth	900	36.00	18.00
Fifth	45	1.80	.90	Twenty-seventh	975	39.00	19.50
Sixth	60	2.40	1.20	Twenty-eighth	1,050	42.00	21.00
Seventh	75	3.00	1.50	Twenty-ninth	1,125	45.00	22.50
Eighth	90	3.60	1.80	Thirtieth	1,200	48.00	24.00
Ninth	105	4.20	2.10	Thirty-first	1,350	54.00	27.00
Tenth	120	4.80	2.40	Thirty-second	1,500	60.00	30.00
Eleventh	135	5.40	2.70	Thirty-third	1,650	66.00	33.00
Twelfth	150	6.00	3.00	Thirty-fourth	1,800	72.00	36.00
Thirteenth	180	7.20	3.60	Thirty-fifth	1,950	78.00	39.00
Fourteenth	210	8.40	4.20	Thirty-sixth	2,100	84.00	42.00
Fifteenth	240	9.60	4.80	Thirty-seventh	2,250	90.00	45.00
Sixteenth	270	10.80	5.40	Thirty-eighth	2,400	96.00	48.00
Seventeenth	300	12.00	6.00	Thirty-ninth	2,550	102.00	51.00
Eighteenth	360	14.40	7.20	Fortieth	2,700	108.00	54.00
Nineteenth	420	16.80	8.40	Forty-first	2,850	114.00	57.00
Twentieth	480	19.20	9.60	Forty-second	3,000	120.00	60.00
Twenty-first	540	21.60	10.80	Forty-third	3,300	132.00	66.00
Twenty-second	600	24.00	12.00				

NOTE.—Up to 6,000 marks each grade is increased by 300 marks; above 6,000 marks by 600 marks.

V.—TAX ON TRADE AND OCCUPATIONS (GEWERBESTEUER).

This tax is being levied on: (1) Trade and on manufacturing business; (2) Hotels, restaurants, saloon, and eating-houses; (3) Mechanical occupations; (4) River boatmen, freighters, and teamsters. Liable to the payment of the tax are all trades and occupations for wages and gain. Professions of a scientific, artistic, teaching, and educating nature, as physicians, lawyers, sculptors, painters, actors, writers, teachers, etc,, are not regarded as pursuits for gain, and consequently not subject to the tax.

Incorporated companies and partnership firms are subject to the tax the same as individuals.

The trades and occupations for the purpose of taxation are divided into classes and subdivisions, and the tax for each class and subdivision is fixed by law.

The first class with its subdivision embraces the wholesale and retail trades, commission merchants, boating, insurance, manufacturing, and navigating business; also brokers, commissioners, commercial agents, banking business, bakeries and breweries, mills, foundries, iron manufactories, auctioneering business, bathing-houses, book-printing and photographing establishments, distilleries, libraries, pawn broking, and livery business, lottery collectors, and insurance agents.

Second class.—Embracing the hotels, eating-houses, saloons, and restaurants, persons renting furnished rooms, and such who offer for sale mineral water or milk to be drunk at premises occupied for that purpose.

Third class.—Embracing persons pursuing a mechanical trade and who carry on their business with more than one assistant and one apprentice, and who, in addition thereto, offer and exhibit ready-made goods for sale. To this class belong the following-named occupations: Painters, varnishers or dressers, bleachers, book-binders, gimlet-makers, coopers, spectacle-makers, well-diggers, printers, lithographers, gunsmith, brush-maker, cigar-maker, shinglers or slaters, dike-builders, catgut-spinner, wire-drawers, turners, dyers, file cutters, form-cutters, hair-dressers, case or sheath makers, braziers, tanners, glaziers, goldsmiths, gold-beaters, engravers, maker of groats, bell-founders, girdlers, glove-makers, wood-workers, wood shoe-makers, hatters, comb-makers, cotton printers, tinners, button-makers, basket-makers, furriers, leather-cutters, manglers, machinists, millwrights, masons, mechanics, founders, polishers, cap-makers, millers, needle and pin makers, opticians, organ-builders, paste-makers, cartwrights, fresco-painters, chair-makers, tobacco-spinners, trunk-makers, wall-paperers, joiners, potters, clock-makers, makers of musical instruments, gilders, weavers, fullers, carpenters, pewterers, and thread-makers. All of these occupations are subject to the payment of an annual tax of either 12, 18, or 24 marks.

Fourth class.—Embraces the business of navigating stream and river, and the business of teaming for wages and of keeping livery stables.

The annual tax quotas applicable to the aforesaid trades and occupations are rated stationary as follows: 3, 6, 9, 12, 15, 18, 21, 24, 30, 36, 42, 48, 54, 60, 72, 84, 90, 96, 108, 126, 144, 162, 180, 198, 216, 252, 288 marks respectively, and upwards, by adding 36 marks to each different grade higher up.

The *extent* and proportions of the business, without regard to its rentability, is to be taken into account at the designation of the class or subclass into which it should be enrolled.

The annual tax quota on trades and occupations is as follows:

(*a*) For the highest class:

First division	288 marks.
Second division	216 marks.

And the minimum rate not less than 144 marks.

(*b*) For the middle class:	Highest rate.	Minimum rate.
First division	72 marks	36 marks.
Second division	48 marks	24 marks.
Third division	30 marks	18 marks.

(*c*) For the lowest class:	Highest rate.	Minimum rate.
First division	24 marks	6 marks.
Second division	18 marks	6 marks.
Third division	12 marks	6 marks.
Fourth division	16 marks	3 marks.

Prior to entering upon the exercise of a business, parties must notify the local authorities of their intention to do so, in order to be ranged into one of the tax-paying classes.

The law providing for taxation of trades and occupations has no bearing upon mining, agricultural, wine-growing, or cattle-raising pursuits, nor upon the stone-quarry business. The trade tax is payable in quarterly installments.

TAXATION OF PEDDLING TRADE.

Liable to the payment of a trade tax are also such persons (1) whose business it is to travel from place to place and outside of their homes sell and offer for sale goods and wares of any kind, unless such mer-

chandise were fruits and products raised from their own soil; (2) who purchase goods to be sold again of any kind, from other persons than merchants and at other localities than at public stores; (3) who drum up customers and receive orders; (4) who exhibit shows.

The tax to which the aforesaid class of individuals is subject is fixed at the rate of 48 marks per annum.

EXPENSES IN CONNECTION WITH THE ASSESSMENT AND COLLECTION.

(*a*) *Class taxes.*—The costs of assessing and collecting of class taxes are fixed at 6 per cent. from the amount actually collected and received; (*b*) of the classified income taxes, 3 per cent.; (*c*) of the trade and occupation tax, 4 per cent.; (*d* and *e*) of land and building taxes, 3 to 4 per cent.

MODES OF ASSESSING.

(*a*) *Class tax.*—The enrollment and classification of the persons subject to class tax is effected by a commission, from three to twelve members, chosen by the municipal legislative body, the chief magistrate being ex-officio member and president of the commission. In the making up of the assessing board it is required that the different classes of the taxable people be represented.

In cities with large populations, several commissions are being appointed. The rolls or registers containing the names and amounts of the tax-payers must be exposed for inspection; and remonstrances against the action of the board must be made within a prescribed period.

(*b*) *Classified* (*graded*) *income tax.*—The municipal authorities are required to keep a correct record of persons liable to the income tax. The assessment is made by a district assessing board presided over by the chief magistrate of said district. The board is constituted by a certain number of persons of whom one-third are being appointed by the district or municipal authorities and two-thirds by the tax-payers of the various income classes.

The classification and assessing are done by the board upon information and evidence obtained and examination had. The parties assessed may appeal from the decisions and conclusions of the board to an administrative tribunal organized for that purpose and whose jurisdiction is final. In absence of authentic proof to establish the amount of annual income, circumstantial and hypothetical evidence is being admitted. The style of dwelling and living is taken as a basis upon which to calculate the income, and the annual expenditure of a person is accepted as sufficient proof of a corresponding income. The Prussian tax and fiscal authorities understand it well to bring reticent, evasive, and unwilling tax-payers to terms, amicably if it can be, peremptorily if it must be.

(*c*) *Trade tax.*—The parties affected by the trade tax participate in its classification and distribution. Wholesale dealers, merchants, retailers, hotel keepers, restaurant keepers, and the lower grades of industrials, by their representatives elected for that purpose, co-operate with the authorities and have their say. The conflicting interests and opinions of the various occupations are thereby sought to be reconciled. The practice is attended with equitable results, inasmuch as the several trades are best qualified to judge as to the proper distribution of the burden.

(*d*) *Tax on buildings.*—The rental value of buildings is appraised by a commission chosen by the building owners of the district at a meet-

ing held for that purpose. The commissioners perform their duties under the direction of the chief magistrate of the respective districts.

(*e*) *Land tax.*—The secretary of the treasury stands at the head of the land-appraising authorities of the whole state. Immediately subordinate to him are the commissioners-general, whose duty it is to direct and to supervise the execution of the required land-appraising work, and to see to it that equitable results be secured within the borders of the state. A central commission is being formed by the minister of finance to consist of four land experts, by him appointed, and of several members from each province, one-half of the provincial members to be chosen by the upper house and one-half by the house of representatives.

The central commission have to fix the tariff of classification and to settle the final results of assessment. A commission, appointed for each province and supported by civil engineers and surveyors, directs and controls the execution of the necessary assessments and appraisements.

Each province has also a board presided over by the provincial commissioners and a commission of assessment, assisted by an assessing board, to superintend and execute the work of assessment and to fix or revise the tariff of appraisement within their district, and to perform all other duties connected with their office.

DELINQUENT TAX-PAYERS.

None of the taxes constitute a lien on real estate or on personal property, and yet the losses sustained by the Government are of little importance. The *modus procedendi* against delinquent tax-payers is summary, indeed. If, after three days' written notice, payment fails to be made, an executory mandate is issued by the tax collector and a levy made. The articles exempted from execution are few and far between. To have his household goods sold for unpaid taxes is looked upon as disgraceful, and is strenuously sought to be avoided. The fact that taxes are not allowed, as in the United States, to accumulate and run a year and over may largely account for the small losses occurring. The payment of taxes in monthly or quarterly installments is in the interest of the tax-payers, and the legal provision to that effect highly commendable. Less so, and strange to the American mind, is the provision in the German tax law by which the collector or receiver is made personally liable for any taxes lost by reason of the collector's failing to mercilessly enforce the collection within the days prescribed.

Total revenues for the year.

	Marks.
I. Direct taxes	153,280,000
(*a*) Land	40,500,000
(*b*) Buildings	30,000,000
(*c*) Class tax	22,000,000
(*d*) Income tax	38,800,000
(*e*) Trade tax	22,780,000
II. Indirect taxes:	
Succession and stamp tax	54,600,000

As illustrated by the foregoing figures, the relation between the direct state taxes and indirect state taxes in Prussia is three to one, but the portion (28.46) of the indirect national taxes to which Prussia, as one of the union states, is entitled amounts to about 206,000,000 marks; and, by adding this sum to the above amount of indirect state taxes

(54,000,000 marks), it will become apparent that the relation between direct and indirect taxes is fifteen to twenty-five, and that the indirect taxation largely exceeds the direct.

GENERAL OBSERVATIONS.

The prevalence of the income principle is one of the characteristic features in Prussian tax-legislation. The income tax yields one-fourth of the direct tax revenues.

The taxes on land and buildings are also levied upon the net income therefrom, independent of the actual, speculative, or imaginary value. The tax burdens on trades and occupations are comparatively light, 288 marks being the highest annual tax on any one business or industry, no matter how large.

The taxes on land and incomes do not attach to trades and industries as such. The trade tax proper is light, and the buildings devoted to mercantile and industrial uses pay merely 2 per cent. on their rental value. The machinery, tools, and appliances used, the stock of materials and manufactured goods are exempt from taxation, likewise the capital stock and the personal property of all and every nature.

German industries generally do not pay one-third of the taxes, as American industries have to, and real-estate owners in American cities are paying upon their city property at least three times as much as proprietors of real estate in Frankfort or other German cities. A property of a cash value, say, of $10,000, and producing a rent of $600 annually, and used for industrial purposes, will pay for state and municipal taxes, income taxes and all, not over $50 per annum, an amount equal to one-half per cent. of its value, while the tax in American cities would be not less than five times that amount.

B.—INDIRECT TAXES.

SUCCESSION TAX.

Estates, legacies, and gifts are liable to state tax at the following rates: (*a*) One per cent. if bequeathed or devised to the servants of the testator's family. (*b*) Two per cent. if inherited by adopted children, or by brothers and sisters. (*c*) Four per cent. if inherited by collateral heirs within the sixth degree of kinship, by step-children and their descendants, by brothers and sisters in law, and by institutions exclusively devoted to benevolent, educational, or common purposes. (*d*) Eight per cent. in all other cases.

Exemptions from the succession tax are: (1) All estates, legacies, or gifts not exceeding 50 thalers ($37); (2) the lineal descendants and the ascendants of the decedent; (3) the surviving husband or widow; (4) public alms and poor houses, public schools, universities, galleries of art, and incorporated religious societies.

STAMP TAX.

The stamp tax is levied upon documents and instruments of writing. The principal rates, according to the stamp tariff, are as follows:

	Marks.
Certified copies	1.50
Adoption agreement	6.00

Certificates of stock, one-twelfth per cent. of the value.
Insurance policies, one-fourth per cent. of the premium paid.

	Marks.
Attestation, private	1.50
Auction protocols, one-seventh per cent. of the net proceeds.	
Extract from official proceedings	1.50
Commissions to salaried officers	1.50
Letters of citizenship	1.10
Bonds of surety	1.50
Codicils	1.50
Marriage promise	1.50
Marriage contract	1.50
Succession agreement	1.50
Experts' reports	1.50
Contracts for sale of real estate, 1 per cent. of the purchase-money.	
Contracts for sale of all other property, one-third of 1 per cent..	
Indentures of apprenticeship	1.50
Emancipation of minors	6.00
Amortization certificates	1.50
Notarial instruments	1.50
Leases, one-fourth per cent. from the amount of rent stipulated.	
Protocols	1.50
Protests	1.50
Passports	1.50
Mortgages, one-half per cent. of the mortgage sum.	
Play-cards (Tarock) per pack	4.50
Play-cards (French) do	2.50
Play-cards (German) do	1.50
Wills	1.50
Powers of attorney	1.50

MINING TAX.

Taxes on the products of mining are fixed as follows: In the provinces annexed to Prussia in 1866 and of the left shore of the Rhine, 2 per cent.; in the other parts of the Kingdom, 1 per cent. of the value of products.

NATIONAL TAXES.

The taxes created by enactments of the national legislature of the German Empire (Reichstag) in behalf and for the use of the national (Imperial) Government are levied upon the following objects: (*a*) Bills of exchange, shares of stock, rents, obligations of indebtedness, and bourse transactions (stamp and bourse tax); (*b*) import and export of goods (duties, imposts); (*c*) distilled spirits (brandy tax); (*d*) brewer's malt; (*e*) salt; (*f*) beet sugar; (*g*) tobacco.

LOCAL TAXATION.

The city of Frankfort-on-the-Main receives annually from direct taxation for municipal uses the sum of marks 4,500,000, an amount equaling almost one-half of the entire costs and expenses of the city administration.

The tax is levied or assessed as follows: (*a*) Upon the state class tax and state classified income tax of all persons residing within its limits. The rolls of the state contains the names of the income-tax payers, and the amount of tax assessed forms the tax duplicate upon which the city levy is made. (*b*) Upon the income of stock companies, corporations, societies, private and public institutions, commercial and industrial organizations, etc., doing business within the city. (*c*) Upon the rent proceeds of houses and buildings.

The levy upon the class and income tax is 90 per cent. added to the state classified income on class tax combined. The assessment on house rent is 4 per cent. annually from the annual rent stipulated.

Municipal tax realized during the fiscal year 1886–'87.

	Marks.
Levy upon the state class tax	300,000
State graded income tax	2,500,000
Income of foreigners	85,000
Income of incorporated companies	550,000
Tax on house rent	1,100,000

Note.—The tax on income submitted by the state is 3 per cent., and inasmuch as the city has added 90 marks to every 100 marks of state tax, it results that the percentage levied on the income of persons residing in the city, as a municipal tax, is 5.9 per cent.

Proceeds from national taxation.

	Marks.
Import duties	245,600,000
Tobacco	8,100,000
Sugar	35,000,000
Salt	38,500,000
Brewer's malt	17,800,000
Spirits	17,000,000
Stamps	19,600,000
	381,600,000

THE ADMINISTRATION OF FRANKFORT, AND ITS ANNUAL REVENUES.

The city, with its suburbs, Sachsenhausen and Bornheim, has 155,000 inhabitants, occupies an extended area, with 630 streets and lanes, and numerous public buildings, among which are 8 school buildings, representing a value of 11,600,000 marks. Its benevolent and charitable institutions, adequate to its exigencies, and its institutions of science and art, are liberally supported; the city is provided with a splendid market-house and numerous other market facilities; it has its water works and a complete system of sewerage and drainage; possesses a cattle-yard and slaughter-house, and extensive harbor improvement, warehouses, and elevating facilities. The streets, sidewalks, public walks, and public places generally are kept in a perfect condition.

EXPENSES OF CITY GOVERNMENT.

The total annual expense of the city government runs up to 9,578,192 marks, and the principal purposes and objects for which the money is expended, and the sources from which the city receives revenue are shown by the following statement:

Current receipts and expenditures for the fiscal year 1887–'88.

FRANKFORT-ON-THE-MAIN.

	Receipts.	Expenditures.
A.—General administration:	*Marks.*	*Marks.*
Board of councilmen		12,750.00
Board of aldermen and district administration	2,000.00	87,400.00
Auditing board		17,625.77
District inspectors (9)		8,100.00
Orphan asylum		4,522.48
City clerk's office		22,050.00
Board of statisticians		18,070.00
City records, Division II		10,400.00
City hall cellars		10,480.00
Functionaries not in office		11,550.00
Pensions and annual relief		225,700.20
Temporary relief		2,000.00
Providing for widows and orphans of city officials		79,806.00
Sundries	4,200.00	41,300.00

Current receipts and expenditures for the fiscal year 1887–'88—Continued.

FRANKFORT-ON-THE-MAIN—Continued.

	Receipts.	Expenditures.
B.—*City real estate.*		
	Marks.	*Marks.*
Productive real property held by the city	336,383.27	135,480.86
City forests	156,261.49	92,193.97
C.—*Police and public traffic.*		
Cost of the royal police		70,218.75
City police and public traffic:		
General administration	20.00	12,850.00
Field police	1,400.00	28,996.28
Night watch	75.00	97,985.90
Sundry police matters		740.00
Public flayer	500.00	3,000.00
Markets	116,480.00	42,385.70
Slaughter-house	152,400.60	64,548.24
Meat inspection	39,070.00	39,070.00
Cattle-yard	155,850.00	87,338.98
Harbor management	94,966.00	84,166.00
Warehouse management	121,550.00	79,950.00
Hydraulic pressure		11,300.00
Leather hall	3,150.00	840.00
Scales	45,000.00	28,607.00
Gauger's office	18,880.00	14,248.00
Auction bureau	3,500.00	812.60
Other public establishments:		
Harbor railway	115,884.00	75,017.00
Street railroads	23,600.00	
Pawn-house		
D.—*Accounts.*		
Central bureau of accounts		21,300.00
Accountant register and treasury	600.00	11,360.00
Taxes	5,042,700.00	181,407.14
Passive capital and sinking fund	90,000.00	2,426,613.13
Active capital	50,305.88	
E.—*Building department.*		
Central office	2,160.00	37,540.00
Building inspection	500.00	142,671.06
Building police	26,100.00	24,540.00
City gardening	7,150.00	47,466.00
Public clocks		3,085.72
City bell-ringing in the cathedral		158.33
F.—*Water works and sewerage.*		
Central office	300.00	72,506.30
Book-keeping department and treasury	1,017,169.52	37,150.00
Executive department	281,100.00	560,311.00
Building department	30,526.60	732,244.69
Surveying	3,100.00	27,900.00
G.—*Fire department and street cleaning.*		
General administration	1,200.00	7,310.00
Firemen (salaried)	3,830.00	138,298.50
Firemen (volunteer)	100.00	5,100.00
Theater fire watch	100.00	7,585.00
Street cleaning	13,700.00	141,580.00
Removal of ashes and rubbish	12,000.00	48,750.00
Sprinkling streets, squares, and promenades	300.00	36,800.00
Cartage and city teaming	293,511.46	236,759.65
H.—*Cemeteries.*		
Cemeteries	125,020.00	103,005.57
I.—*Poor-houses and infirmaries.*		
General management	270,529.43	67,410.47
In-door relief	37,000.00	337,350.00
Out-door relief	104,958.14	374,000.00
Sundry relief	200.00	14,700.00

Current receipts and expenditures for the fiscal year 1887–'88—Continued.

FRANKFORT-ON-THE-MAIN—Continued.

	Receipts.	Expenditures.
	Marks.	*Marks.*
J.—Divers public relief and charitable institutions.		
City infirmary, allowance	.....	10,067.00
Lying-in house, allowance	.....	1,414.32
Institution for the insane and epileptic, allowance	.....	9,831.80
Allowance and additional assistance to charitable institutions	.....	2,770.20
K.—Churches.		
Dotation to the Lutheran congregation	.....	48,857.14
Dotation to the Catholic congregation	.....	32,742.86
Repairs of churches, etc	.....	771.43
Contribution to the Evangelical Lutheran parish, Bornheim (a suburb of Frankfort-on-the-Main)	.....	700.00
Presentations to two Lutheran ministers of two country parishes	.....	5,719.49
Lutheran and Evangelic consistory	.....	5,471.72
L.—Schools.		
High schools:		
Board of education	.....	26,500.00
High schools (7)		
Gymnasium	89,485.71	131,844.80
Normal school	73,200.00	111,377.60
Woehler school	116,200.00	138,150.00
Klinger school	82,180.00	108,396.00
Adlerflycht school	42,700.00	60,948.00
Selecten school	9,171.42	27,960.00
Elizabethen school	122,440.00	109,310.00
Common schools (21):		
School commissioner	.....	38,392.14
Humboldt school	71,200.00	66,105.00
Ostend school	27,200.00	68,056.00
Peters school	27,460.00	61,760.00
Sonchay school	25,700.00	67,190.00
Gellert school	12,700.00	42,955.00
Wall school	6,025.00	23,568.00
Liebfrauen school	19,700.00	72,230.00
Uhland school	22,350.00	92,121.00
Merian school	9,700.00	35,520.00
Citizens' school of Bornheim	14,200.00	57,273.08
First and Second Bornheim common school	1,320.60	98,219.44
Arnsburger school	900.00	91,135.80
Anna school	1,200.60	52,283.00
Bethmann	42,982.86	73,624.00
Weissfrauen school	8,350.00	41,414.00
Allerheiligen school	6,399.44	31,981.60
Katharinen school	7,200.00	31,360.20
Dreikoenigs school	7,608.00	28,060.00
Englische Fraulein school	15,500.00	24,416.00
Dom school	12,150.00	35,373.40
Rosenberger school	11,650.00	29,655.00
M.—Science and art.		
City archives, first division	6.00	12,605.00
Commission for objects of art and curiosities	900.00	9,150.00
City library	802.86	32,785.26
Annuity to Mr. Reiffenstein	.....	2,200.00
Contributions to societies	.....	13,150.00
Theater subsidy	.....	150,000.00
N.—Refunding funds.		
Refunding funds	.....	500.86
O.—Services rendered to the state.		
Registrar's office	3,800.00	27,726.28
Quartering soldiers and expenses connected with the enrollment of soldiers	5,400.00	54,831.00
Share of the city of the agricultural duties levied by the state	40,000.00	.....
Board of arbitration (relating to trade matters)	.....	5,000.00
City commission	500.00	4,500.00
P.—Special funds.		
Contingent expenses appropriated by the city council	.....	69,163.46
Total	9,743,542.08	9,743,542.08

EXPENDITURES AND REVENUES MORE FULLY EXPLAINED.

EXPENDITURES.

In order that the nature of the aforesaid "totals" be better understood a more detailed statement of the important items is herewith given:

	Marks.
A.—General administration:	
Council expenses as above	12,700
Salaries of two clerks	5,600
Stationery, lighting, tending, etc	7,150
	12,750
Magistrate (salaries):	
One burgomaster	15,000.00
Two burgomasters	9,400.00
Six aldermen, at 8,000 marks	48,000.00
Messengers	2,000.00
Clerical help	6,000.00
Divers	7.000.00
	87,400.00
Auditing department:	
Salaries	17,285.00
Divers	340.00
	17,625.00
City clerk:	
Office	12,700.00
Salaries	9,350.00
	22,000.00
Statistical office:	
Salaries, three officials	10,050.00
Sundries	350.00
	10,400.00
City cellars (Roemer buildings):	
Laborers and wages	5,800.00
Repairs, lighting, etc	4,600.00
	10,480.00
Sundries (city hall):	
City physician and traveling expenses	9,500.00
Support to official in case of accident	3,000.00
Stationery and bureau expenses	8,000.00
Light and fuel	9,000.00
Telephone	2,800.00
Contingent	9,000.00
	41,300.00
B.—City real estate:	
Administration and management of the city's real estate, salaries	16,100.00
Cultivation of vineyards	4,000.00
Repairs and renovation of building and market stands	40,900.00
State taxes and water rent	10,350.00
Insurance of buildings, including opera house and theater	48,500.00
Divers	16,774.00
	136,624.00

	Marks.
B.—City real estate—Continued.	
Administration of city forests:	
Salaries	24,815.00
Wages to laborers	67,380.00
	92,195.00
C.—Night watch:	
Six lieutenants	9,300.00
Four sergeants	3,860.00
One hundred and thirty-four patrolmen, at 48 per month	77,184.00
Thirteen reserve patrolmen	5,616.00
Uniforms	2,325.00
	97.985.00
Public market:	
Superintendent	8,100.00
Inspector	2,300.00
Receivers	4,500.00
Two market inspector deputies	2,600.00
Lighting, fuel, etc	6,000.00
Water rent	2,000
Wages to weighers	4,145
Office costs, printing and stationery	3,000.00
Erection of market stands	1,750.00
New buildings and repairs	12,989.00
	42,384.00
Harbor and warehouse:	
Salary to officers	13,225.00
Harbor:	
To 6 night watchmen	4,971,00
Utensils, lighting, heating, water, cleaning of office, 3,300+670	3,970.00
Bureau and office expenses, stationery, and printing	1,500.00
Wages to laborers	42,000.00
Machinery, repairs of docks, canalization, etc	18,800.00
	84,446.00
Warehouse expenses:	
A. Salaries and office rent	21,000.00
B. Printing, heating, gas, water, furniture, office expenses	7,400.00
Wages to mechanics and laborers	27,000.00
Material	4,000.00
Insurance	2,450.00
Repairs and maintenance of buildings, sewerage, machinery	5,000.00
Divers	3,000.00
	69,950.00
Scales:	
Pay to 9 active weighers	21,650.00
Other expenses	2,750.00
	24.400.00
Gauger:	
Pay to 3 officers	7,350.00
Pay to assistant gangers	3,000.00
Light, fuel, water, and cleaning	1,200.00
Utensils and office expenses	2,698.00
	14,248.00

D.—Accounts:

	Marks.
Auditor's office:	
Salaries	8,900.00
Printing and binding	8,400.00
Office expenses, light, fuel, and advertising	1,800.00
Cleaning and divers expenses	2,200.00
	21,300.00
Treasurer's office:	
Salary of treasurer	4,900.00
Book-keepers	3,600.00
Deputies	2,650.00
Sundries	210.00
	11,360.00
Tax receiving:	
Salaries to 56 officials	126,650.00
Periodical clerical help	34,000.00
Compensation to state for collecting municipal tax on income	17,200.00
Postage, assessing and appraising	3,590.00
	181,400.00
Passiva:	
Interest on loans	1,759,000.00
Sinking fund	667,613.00
	2,426,613.00

E.—Building and constructing department:

General administration:	
Salaries to architects and civil engineers	12,000.00
Salaries to assistants, secretaries, treasurer, and subordinate	12,500.00
Salaries, clerical help	5,000.00
Blanks and stationery	2,290.00
Postage, plans, and maps	1,650.00
Office cleaning	800.00
Traveling expenses	930.00
Gas-light	750.00
Office furniture, repairs, etc	580.00
Support of employés in case of accident	1,040.00
	37,540.00
Superstructure department:	
Salaries	39,070.00
To keep in repair city buildings, bridges, churches, etc	73,600.00
Renovation of city hall	30,000.00
	142,670.00
Building inspectors:	
Salaries	19,840.00
Diverse	4,700.00
	24,540.00
City gardening:	
Salaries	4,900.00
Taking care of squares, parks, etc	42,000.00
Sundries	566.00
	47,466.00

F.—Water works and sewerage:

	Marks.
General administration:	
Salaries to superintendent and officials	12,000.00
Eight subordinates	17,100.00
Uniform	6,366.00
Traveling expenses	5,600.00
Postage and telegraphic expenses	2,300.00
Office rent	5,000.00
Light, fuel, etc	5,500.00
Printing and stationery, drawings	5,000.00
Book-binding	2,000.00
Taxes, water insurance	1,840.00
Clerical help, freight	1,000.00
Divers	2,500.00
	72,506.00
Book-keeping:	
Salaries	16,150.00
Assistants	7,000.00
Fund for injured or sick officials	14,000.00
	37,150.00
Executive board of water-works:	
Salaries to eighty officials	97,680.00
Running expenses of the works	263,446.00
Street gas consumed by the city	199,185.00
	560,311.00
Street department:	
Salaries of commissioners and supervisors	53,735.00
Paving and repaving streets and sidewalks	477,129.00
Repairs of bridges, gutters, and sewers	89,000.00
Sluices	38,200.00
Renovation and reconstruction of sewers	34,550.00
Extension of main water-pipe	39,650.00
	732,244.00
Surveying:	
Salaries of six officials	16,100.00
Other expenses connected thereto, as instruments, wages for labor	6,500.00
For materials, etc	5,300.00
	27,900.00

G.—Fire department and street cleaning:

General administration	7,310.00
Salaries and pay to officials and members of fire department, consisting of a treasurer, secretary, one director, a fire superintendent and assistant, 47 firemen, 10 fire engineers, 3 telegraphists. The firemen receive an average pay of 1,250 marks per annum	87,673.00
Uniforms	8,746.00
Keeping in repair engines, carts, hose, and fire-extinguishing apparatus generally	5,400.00
Fire telegraphs and alarm signals	9,000.00
Horses and wagons	16,600.00
Heating, lighting, repairing engine-houses	9,550.00
Sundries	1,329.00
	138,298.00

	Marks.
G.—Fire department and street cleaning—Continued.	
Street cleaning:	
Salaries of seven supervisors	8,600.00
Wages of street sweepers	94,000.00
Cartage	21,760.00
Removal of snow, ice, etc., uniforms	300.00
Expenses, sand	400.00
Machines and sweeping utensils	6,000.00
Divers expenses	420.00
	141,480.00
City carting, teaming, and wagoning:	
Wages of teamsters, hostlers, etc	51,000.00
Fodder, hay, and straw for 100 horses	70,000.00
To keep in repair carts, wagons, etc., and blacksmithing	19,000.00
Outlays for gravel, sand, and hiring teams	80,000.00
Light and heating expenses	14,000.00
Water rent	600.00
Divers expenses	2,150.00
	236,750.00
H.—Cemeteries (3):	
Salary of officers (five)	13,000.00
Wages of grave-diggers and laborers	7,300.00
To keep grounds in order	7,500.00
Building expenses	4,500.00
Gravel	1,500.00
Wages of artisans	2,500.00
Divers expenses	1,005.00
	103,005.00
I.—Sanitary department and infirmaries:	
Salaries of nineteen officials	43,600.00
Office rent, light, fuel, and cleaning	2,867.00
Stationery, blanks, and books	5,000.00
Transports, etc	2,600.00
Postage	2,200.00
Physician	1,200.00
Clerical help	6,000.00
Procuring work for invalids	1,500.00
Repairs of buildings	193.00
Sundries	2,250.00
	67,410.00
J.—City hospital:	
Salaries of physicians, nurses, and employés	20,000.00
Patients	56,780.00
Medicines and laundry expenses, fuel, light, bedding, and linen	31,000.00
Divers expenses	10,122.00
	117,902.00
Pay from patients, etc	107,835.00
	10,067.00
Insane and epileptic asylum:	
Salaries of employés	38,521.00
Household expenses	78,767.00
Light and fuel	11,200.00
Medicines	2,000.00
Clothing	4,200.00
Laundry, etc	4,000.00
Insurance	2,267.00
Erection and repairs of buildings	10,000.00
Furniture	6,000.00

J.—City hospital—Continued.

	Marks.
Insane and epileptic asylum—Continued.	
Drainage and irrigation	26,000.00
Interest	6,428.00
Garden laborers	1,500.00
Water rent	990.00
Divers	7,601.62
	199,474.62
By pay from patients, etc	189,642.82
	9,831.80

REVENUES.

Total of revenues, as shown by above statement, 9,743,542.08 marks, derived from the following:

Hunting permits		2,000.00
From city printer		4,000.00
Rent from city buildings:		
Cellars and garrets	167,467.00	
From gardens and lots	31,000.00	
From land devoted to agriculture	64,741.00	
From fisheries	695.00	
From hunting ground	340.00	
Proceeds from vineyards	8,000.00	
		272,243.00
Interest from outstanding loans		40,800.00
License-fees of cabmen and public stands		16,600.00
Rent from other city property		5,300.00
Gross income from city forests, forest houses, ponds, and hunting privileges		156,261.49
Fines		1,475.00
Player license		500.00
Income from markets		116,480.00
Receipts from slaughter-house		152,400.00
Receipts from meat inspection		33,070.00
Receipts from the cattle-yards		155,850.00
Dockage		94,966.00
Storage		121,550.00
Revenue from the leather hall and leather periodical exhibition		3,150.00
Weighing		45,000.00
Gauging		18,860.00
Auctioneering		3,500.00
Harbor railroad		115,884.00
From street railroads, grant of privilege		23,600.00
Fines		600.00
Taxes, municipal:		
Levied upon income	3,535,000.00	
Levied upon house rent, rental value of dwellings 4 per cent	1,170,000.00	
Horse tax	15,500.00	
Dog tax	31,500.00	
Soldiers quartering tax	25,000.00	
Fees, obtaining citizenship	11,500.00	
Broker licenses	7,500.00	
From tax on real estate transfer	215,000.00	
Fines and contraventions	10,600.00	
		5,042,700.00
Theater-ticket tax		90,000.00
Interest and dividends from mortgages and bonds		50,305.00
Sundries		2,600.00
Revenues from city gardens		7,150.00
From building inspection		26,100.00
Water rent 285,000, inclusive of meter		1,017,169.00
For water connections		130,900.00
Gas-light companies, for grant of privilege		152,000.00
From land owners for special street improvments		31,620.00
Extra services of the fire department		13,700.00

	Marks.
Proceeds from the sale of garbage	12,000.00
From sprinkling	300.00
Revenues realized from teaming and carting by the city	293,511.00
Revenues from the cemeteries	125,020.00
Endowments of the city poor-house	270,529.00
Contributions and refunding for outdoor relief administration	37,000.00
indoor relief administration	104,958.00
women's asylum	9,290.00
School tax assessed upon the pupils per capita	836,000.00
Rent from school buildings and endowments	50,672.00
Admission fees to art museum	8,000.00

I.—Government institutions which yield surplus revenue to the amounts following:

Markets	74,000
Slaughter house	87,850
Cattle-yard	68,500
Elevating, dockage, and storage	51,000
Weigher, gangers, and auctioneers	23,000
Harbor-connecting railroad	40,800
Building inspection	15,000
City carting and teaming department	56,700
Cemeteries	22,000

II.—Departments and institutions whose expenses exceed their revenues to the amounts following:

	Marks.
Police department	210,600
Superstructure department	142,100
City gardens, squares, and promenades	40,315
Public clocks	3,085
Sewerage and water-works	200,000
Fire department	152,000
Street department, cleaning and sprinkling	200,000
Infirmaries and charitable institutions	344,000
School department	990,000
Science and art, inclusive of theaters	218,000
Total	2,500,100

	Marks.
The total sum of direct taxes levied and collected by the city government (equal to almost four-ninths of the entire city revenues, 9,578,192)	4,705,000
Gross revenues from city buildings, land, forests, and interest from loans amount to about	440,000
	5,145,000
Balance necessary to meet the necessary expenses (to be provided for by indirect taxation or assessments in one shape or another)	4,433,192

SCHOOL DEPARTMENT.

Pupils attending the city schools, and numbering 18,000, pay to the city 836,000 marks tuition fees (Schulgeld). In view of the fact that education is compulsory, this tutition tax must be considered as very onerous and burdensome to many families of the poorer and middle classes.

The professors and teachers of the 28 Frankfort schools number 510, or one teacher for 36 pupils. The high-school teachers receive an annual salary ranging from 4,500 to 6,000 marks, while the salaries of the teachers of lower-grade schools receive from 2,500 to 4,500 marks.

	Marks.
Salaries of 165 high-school teachers	597,600
Salaries of 345 common-school teachers	914,003

CITY OFFICIALS.

The total number of city officers and city officials, inclusive of 157 policemen and 73 firemen, exclusive of clerks or messengers, is 700, receiving salaries to the amount of 1,256,819 marks. An American city of similar population and size as Frankfort would try to get along with one-third of the number, although it is very probable that the aggregate salaries of the latter would exceed that of the former. The city functionaries are strictly confined to the performance only of such duties as are assigned to them. No combination of conflicting or different functions is allowed. Collecting, disbursing, and auditing functions are being administered separately and apart from each other, rigorously controlled and guarded over by inspecting and controlling officers.

Salaries of officials are moderate, averaging from 4,000 to 6,500 marks for principals and less for deputies and subordinates. Officials or their widows and orphans are entitled to pension, which fact has much to do with the loyal, conservative, and order-abiding conduct of the officers. Above statement shows the present pensions to be 305,000 marks annually; quite a heavy burden entailed upon the tax-payers.

Present number of pensioners, 110; of widows and orphans, 90.

METHODS OF ASSESSING WATER RENT.

Each dwelling provided with water connections is liable to pay a water rent of 4 per cent. of the rent or rental value of the respective buildings, independent of the quantity of water consumed. Persons using large quantities of water for business purposes are charged pro rate of the quantities used, to be ascertained by water-meter.

COSTS OF TAX COLLECTIONS.

The sum of 181,407 marks is set down as an expense incident to the collection of 5,024,700 marks taxes, which figures make it appear that 3 per cent. of the gross amount cover the costs of collecting. Fifty-five officials, exclusive of clerks, are employed in the tax-collecting branch, receiving a pay of 126,650 marks.

Special assessments upon the foot frontage are not practiced. Street and sewer improvements, costs of paving and re-paving are charged to the general fund.

BUILDING INSPECTION.

The plans for the erection of buildings within the city limits must be submitted to and approved by the inspection authorities, whose duty it is to enforce compliance with the established rules of symmetry and safety; it being not absolutely left to the fancy of individuals, how and where their houses are built and what materials to use thereto.

The system of contracting for public works and public improvements is not in use; and it seems that the city fares well by doing its own work under its own direction and control.

CERTAINLY A MODEL CITY GOVERNMENT.

In analyzing the above figures and statements we shall come to the conclusion that Frankfort's municipality is in many important respects differently administered from American cities. Its offices are more numerous and closer defined; officials, appointed for life and being assured of pensions for themselves and their families, are slow and

pedantic, but competent and honest in the discharge of their duties; they are looked upon as the rulers, not as the servants, of the public; the parental idea pervades all governmental matters; and ordinarily too much is ordained, ruled, and governed, and but little is left to the initiative of the people themselves except to obey and be happy.

The safeguards against official corruption are of the most efficient nature, and the ways and subterfuges of faithless public trustees to escape from punishments are very narrow indeed. The difference in the principles and methods of administration between German and American government is as great as the difference between monarchial and republican institutions; and while some of the German administrative usages might be adopted with advantage, others would not be tolerated by a self governing people.

JACOB MUELLER,
Consul-General.

FRANKFORT-ON-THE-MAIN,
June 13, 1887.

TAXATION IN ALSACE-LORRAINE.

REPORT OF CONSUL JOHNSON.

The French system of taxation is still in vigor in Alsace-Lorraine, although the annexation of this country to Germany took place about sixteen years ago.

There are two sorts of taxes: the direct taxes, which are laid on property and persons; the indirect taxes, on articles of consumption only. These latter reach the consumer indirectly.

The direct taxes include—

(1) The land taxes (Grundsteuer; impôt foncier.)
(2) The personal and personal-property tax (Personal-Mobiliar-Steuer; impôt personnel et mobilier.)
(3) The tax on doors and windows (Thür- und Fenstersteuer; impôt des portes et fenêtres).
(4) The license tax (Patent-Steuer; les patentes.)

The amount of the first three taxes is fixed annually in advance, and assessed on the several districts, communes, and individuals.

(1) THE LAND TAXES.

The land taxes are assessed on all landed property in proportion to the net income of that property.

The taxable net income of houses, manufactures, forges, mills, and other works consists in what is left to the owner after deduction is made of the amount necessary to indemnify him for the wear and tear, the costs of keeping in repair, etc. This deduction is made on the value of rent calculated on the average of a number of stated years.

(2) THE PERSONAL AND PERSONAL-PROPERTY TAX.

The personal tax represents the value of three days' work. The average value of a day's work is fixed every year for each commune,* but

*Under commune is meant the total number of inhabitants living in one place, town, or village under one mayor.

it can not be fixed at less than 10 cents (American) nor higher than 30 cents a day.

The personal-property tax is proportioned to the rent paid for the dwelling personally occupied.

The personal tax and the personal-property tax are jointly assessed in the quota allotted to each commune. Their separation is effected in the following manner:

The price of the three days' work is multiplied by the aggregate of tax-payers, and the product is the amount of the personal tax. This product is deducted from the amount of the quota, and the balance gives the sum total of the personal-property tax.

The personal and the personal-property tax is due by every native and foreigner, of whatever sex in the enjoyment of his rights and not reputed a pauper.

The basis of this tax is the rent value. (*a*) It is 7 pfennigs (1½ American cents) on a rent value of 160 marks or less (160 marks, about $38.) (*b*) It is 9.41 pfennigs (2½ American cents) on a rent value of over 160 marks.

Personal property tax (Mobilier-Steuer, impôt mobilier) from 1 mark rent value.

	Pfenniga.
(*a*) For a rent value of 160 marks and less:	
For the state	4.09
For the district, the commune, etc	2.91
Total	7.00
(*b*) For a rent value of over 160 marks and less:	
For the state	5.50
For the district, the commune, etc	3.91
Total	9.41

(3) THE TAX ON DOORS AND WINDOWS.

The gates,* doors, and windows having an issue on streets, yards, and gardens are subject to this tax. From this tax are excepted doors and windows used for lighting and ventilating barns, sheep folds, stables, lofts, and other localities not destined for human habitation; also the gates, doors, and windows of public, civil and military, school and hospital buildings.

(4) THE LICENSE TAX.

Every person who carries on a trade, who practices an industry or a profession, and who does not find himself in one of the cases exempted by law, is subject to this tax. There is a fixed or regular tax and a proportional tax. A general tariff assesses or rates the different trades, industries, and professions, which are divided into classes.

The fixed tax is imposed according to this general tariff, and with regard to the number of inhabitants of the commune, in accordance with Table A; with regard to the number of inhabitants, but according to an exceptional tariff for the industries and professions stated in Table B; without regard to the number of inhabitants for those on Table C.

* Gates are not known here as in America, being entrances to mansions and business houses, which frequently have no other front entrance.

TABLE A.—*Tariff for professions and industries with regard to number of inhabitants.*

Classes.	From 100,000 inhabitants and over.	From 50,000 to 100,000.	From 30,000 to 50,000.	From 20,000 to 30,000.	From 10,000 to 20,000.	From 5,000 to 10,000.	From 2,000 to 5,000.	From 2,000 and under.
First	$60.00	$48.00	$36.00	$24.00	$16.00	$12.00	$9.00	$7.00
Second	30.00	24.00	18.00	12.00	9.00	8.00	6.00	5.00
Third	20.00	16.00	12.00	8.00	6.00	5.00	4.50	3.60
Fourth	15.00	12.00	9.00	6.00	5.00	4.00	3.60	2.40
Fifth	10.00	8.00	6.00	4.00	3.00	2.40	1.80	1.40
Sixth	8.00	6.40	4.80	3.20	2.00	1.60	1.20	.80
Seventh	4.00	3.20	2.40	1.60	*1.60	*1.00	.80	*.60
Eighth	2.40	2.00	1.60	1.40	*1.00	*.80	*.60	*.40

* Designates those exempt from proportional tax.

License tax (additional pfennigs to the mark of the principal).

	Pfennigs.
For the state	15.80
For the district	50.07
Total	65.87

For instance, a person belonging to the third class (see Table A) pays the fixed tax, 64 marks (80 francs or $16). If he lives in a city under 100,000 inhabitants but over 50,000 inhabitants, the proportional tax on a rent is 56 marks (70 francs or $14). This tax has, moreover, been burdened with 65.80 additional pfennigs per mark principal, or 79.04 marks; making in all a total of 199.04 marks (248.80 francs or $49.76). Of these additional 65.87 pfennigs, 15.80 go to the state and 50.07 go to district or commune.

The proportional tax is, as a general rule, the fifteenth part of the rent value of the dwelling-house as well as of the stores, shops, works, sheds, coach-houses, yards, and all other localities used for practicing the trade or profession. The first class includes wholesale merchants, as a general thing; the second contains those wholesale merchants who sell in small quantities to retailers, jewelers, gold and silversmiths having workshops and store, etc.; the third class comprises the better class of retail traders, jewelers, and others without workshops, and so on to mechanics and artisans.

The Table B contains the exchange, stock insurance and brokers.

The Table C is for bankers, insurances, contractors, ship owners, manufacturers, etc. The Table C is subject to the proportional tax. This tax amounts to the fifteenth of the rent value, as well of the dwelling-house as of the store-houses, manufactures, works, mills, workshops, sheds, coach-houses, wood, timber, and other yards and all other localities used for practicing any kind of industry or professions.

Exempt from the license tax are professors and teachers, editors of periodicals, stage players, peasants, farmers or husbandmen, fishermen, savings banks managed gratuitously, public writers, clerks, and all persons working for wages, by the piece or by the day in the shops of persons of their trade, as well as those working in their own rooms or in those of private persons, but having neither apprentice, nor workman, nor sign, nor shop of their own, sick-nurses or watchers, cobblers, rag-pickers, etc.

The *land tax* amounts to 32.48 pfennigs on the franc net income. (This is copied from the last tax bill for the year 1886–1887; the franc is taken as basis for the net income.)

Of these 32.48 pfennigs, one part, *i. e.* 18.34 pfennigs, are for the state and 14.14 pfennigs for the district, the commune, etc. The tax on doors and windows is laid on doors and windows with issue on streets, yards, or gardens; on gates or doors of wholesale stores, houses, etc., and generally on every aperture giving access or admittance to dwellings of men or serving to light them.

The tax on strong beer per hectoliter is 57½ cents, and on small beer per hectoliter 14½ cents.

Licenses to eating-house keepers not selling any wine, beer, or liquors to the public generally, but only to regular boarders, are as follows:

In communes of—	Per year.
Less than 4,000 inhabitants	$1.44
From 4,001 to 6,000 inhabitants	1.92
From 6,001 to 10,000 inhabitants	2.40
From 10,001 to 15,000 inhabitants	3.36
From 15,001 to 20,000 inhabitants	3.84
From 20,001 to 50,000 inhabitants	4.32
From 50,001 inhabitants and over	4.80

Licenses to inn-keepers, eating-house keepers, retailers in wine, beer, and liquors:

In communes of—	Per year.
Less than 2,000 inhabitants	$25.00
From 2,001 to 10,000 inhabitants	50.00
Over 10,000 inhabitants	75.00

Wine, beer, and liquor dealers pay for their license:

	Per year.
Wholesale	12.00
Beer brewers	12.00
Distillers	2.40

Besides these taxes, there are imperial taxes on distilling, on tobacco, etc.

The other indirect tax which yields a great revenue to the State of Alsace-Lorraine is the so-called "enregistrement;" *i. e.*, the registry of all legal acts, deeds, documents, indentures, etc., the tariff of which is far too voluminous, however, to be given here.

The total of the income from this source amounts to about 8,845,500 marks a year, or to about $2,211,375. Total amount of direct taxes, 10,937,380 marks; indirect taxes, 18,654,464 marks. There is no income tax in Alsace-Lorraine. Population, 1,564,354; or about 173 7/10 inhabitants on a square mile.

The population of the city of Strasburg is 112,000, approximatively:

	Marks.
Revenues in 1883-'84	7,065,685.26
Expenditures in 1883-'84	6,978.515.44
Surplus of receipts	87,169.82

EDMUND JOHNSON,
Consul.

KEHL, *May* 2, 1887

TAXATION IN BREMEN.

REPORT OF CONSUL LOENING.

DIRECT TAXES.

Income tax.—Percentage fixed yearly by decree of senate and house (Burgerschaft). This year it was fixed at 4 per cent.

The "poor tax" is a percentage on the income and collected with the income tax, fixed yearly according to estimate; this year it was $\frac{2}{10}$ per cent., making a total of percentage for income tax $4\frac{2}{10}$ per cent.

DECLARATION UNDER OATH COMPULSORY.

Each and every person must declare under oath the amount of their annual income. In case of refusal to do this the income is assessed by a board of general assessors.

Tax on real estate.—(*a*) On buildings, 2.1 per mille on assessed value. (*b*) On land (ground), $5\frac{1}{4}$ per cent. on net receipts or revenue therefrom assessed.

Water tax.—(*a*) Owners of buildings pay one-half per mille on assessed value of property. (*b*) Owners of land (ground) pay one-fourth per cent. on net receipts or revenue therefrom. (*c*) Lessee pays 1 per cent. on amount of rent paid.

Light tax (for lighting streets, etc).—(*a*) Owners of buildings pay $1\frac{1}{2\frac{1}{0}}$ per mille on assessed valde. (*b*) Owners of land (ground) pay $2\frac{5}{8}$ per cent. on net receipts or revenue therefrom. (*c*) Lessee pays 5 per cent. on amount of rent he has to pay.

Firm tax.—This is a fixed tax on the business transactions of merchants, and is divided into five classes.

		Per annum.
First class	marks..	3,000
Second class	do....	1,000
Third class	do....	300
Fourth class	do....	100
Fifth class	do....	20

Exempted from this tax are those merchants (firms) whose yearly business transactions do not exceed 10,000 marks.

The amount of this tax to be collected each year must not be less than 600,000 marks, and the classes and scale or rate are fixed accordingly.

A commission composed of merchants appointed by the senate fix the classes and assess this tax.

Retail liquor tax.—Fifty marks per annum.

INDIRECT TAXES.

Consumption tax (octroi).—A tax (in lieu of customs duty) on articles of food, necessaries of life, etc.

Tax on inheritances, gifts, and bequests.—(*a*) On inheritances, etc., from brothers or sisters, half-brother or half-sister, 4 per cent. (*b*) On all other inheritances, etc., 8 per cent.

Exempted from these taxes are—(1) Gifts and bequests for the public benefit. (2) Husband and wife. (3) Parents and children. (4) Adopted children. (5) Churches, schools, religious societies, or to the city poor commissioners. (6) Societies encouraging art or science.

Tax on sales of real estate.—One and one-half per cent. on price paid

collected from buyer, but buyer has the right to charge half of the tax to seller, if not otherwise specially agreed upon.

Auction tax.—One-half per cent. on net receipts. Exempted therefrom are forced sales and real estate.

Taxes on clubs, societies, billiards, bowling alleys, public balls, pleasure vehicles, and horses are as follows:

Clubs and closed societies.—First class, 40 marks per annum. Second class, 20 marks per annum; if strangers are admitted, 50 marks per annum. Exempted from this tax are those that pay the retail liquor tax.

Billiards.—For each table, 20 marks per annum. Bowling alleys, each, 10 marks per annum; half as much for each additional.

Balls.—Any person leasing or keeping a dancing saloon or ball room where entrance money is charged or collected by subscriptions shall pay, first-class, 40 marks per annum; second class, 20 marks per annum. No more tax if one or more balls are given. For each and every mask or costume ball, 100 marks extra.

Pleasure vehicles and horses.—For a pleasure vehicle (carriage or wagon) for two or more horses, 40 marks per annum each; for one-horse pleasure vehicle, 20 marks per annum each. For pleasure vehicles for which no horses are kept, 20 marks per annum each.

Cabmen are exempted from this tax.

For horses kept for pleasure, first horse, 30 marks per annum; second horse, 40 marks per annum; each additional horse, 10 marks per annum more.

For horses of cabmen, cartmen, livery stables, farmers, and used solely in trade, for each horse, 10 marks per annum; for each additional horse, 20 marks per annum. Exempted from this tax are horses under three years of age, horses used in the public or official service, and horses in possession of dealers for sale and not for use.

Dog tax.—One dog, 10 marks per annum; each additional, 20 marks per annum.

Nightingales.—For each bird, 20 marks per annum.

Stamp tax.—All official documents, notarial acts, etc., must bear a government stamp.

The normal size of the sheets of paper on which such are written or printed is 33 by 21 centimeters.

The stamp tax is:

	Pfennigs.
(*a*) For a sheet of normal size	50
(*b*) For a sheet of one-half normal size	25
(*c*) For a sheet larger than normal size	80

Warehouse receipts and warrants, irrespective of size, each 50 pfennigs; notes, commercial paper, etc., 1,50 marks each; checks, drafts, bills of exchange, 50 pfennigs per mille.

On insurance policies effected in Bremen, at a maximum premium of one-half per cent. one-eighth per mille, of the amount insured at a premium of 1 per cent., one-fourth per mille, at a premium of 2 per cent., one-third per mille; over 2 per cent., one-half per mille; all other insurances from one-twentieth to one-tenth per mille.

Insurance on ships or vessels or parts thereof, while lying in the harbor, docks, or roads, pay one-sixtieth per mille for each month on amount insured.

If lying in the limits of the city of Bremen proper, 25 per cent. more of the above rate.

Life insurances.—Policies for the duration of one year or less, one-tenth per mille; from one to ten years, two-tenths; over ten years, four-tenths on amount insured.

Insurances on annuities and outfits, one-half per mille of purchased price.

Stamps on protests of bills of exchange, drafts, notes etc., viz:

	Marks.
Up to 1,000 marks	1.50
1,000 to 2,000 marks	2.00
2,000 to 3,000 marks	3.00
3,000 to 4,000 marks	4.00
Over 4,000 marks	5.00

Turnpike toll.—From 5 to 10 pfennigs each way for each horse and wagon.

Canal tax or toll.—For each boat going through the canals a tax or toll is charged according to size or cargo, etc. These are very small canals, not of much importance.

The cost and expense of collecting all these various taxes can not well be estimated, as the Government is unable to give it to me, but the collection of the "consumption tax" is the most expensive, requiring as many officers as the customs, the tax being collected in a similar manner as the Imperial German Government collects customs duty.

The income tax can not be said to press more on any particular class than another, as the smaller the income the less the percentage of tax, up to 9,000 marks. There it remains at its fixed rate.

If anything, the most oppressive tax on the masses is the indirect consumption tax on the necessaries of life, articles of food, etc., rendering the same more costly.

All luxuries are highly taxed, and that is commendable, not oppressive.

ALBERT LOENING,
Consul.

BREMEN, *December* 1, 1887.

TAXATION IN BRESLAU AND IN SILESIA.

BY CONSUL DITHMAR.

The tax-payers of this city are compelled to pay direct and indirect state and communal taxes, besides various tributes, imposts, rates, licenses, etc. The state direct taxes consist of the classified income tax, the class income tax, the house or building tax, the ground or vacant lot tax, and the business or occupation tax; indirect, the brewers' small tax. The communal taxes are: Communal income tax, 50 per cent. Addition to house and ground tax, dog tax, and amusement tax; indirect, slaughter, game, and beer tax, and 50 per cent. addition to the brewer's malt tax, making the latter 72 cents per cwt., while beer brewed in the city limits (of taxed malt) is not taxed. Of the amount collected for the state by the city government 46.70 per cent. is derived from incomes, 28.32 per cent. from the house and ground taxes, 16.20 per cent. from the business or occupation tax, and 8.55 per cent. from the malt tax. Of the amount collected to defray the city expenditures 58.14 per cent. are derived from the income tax, 11.26 per cent. from the building tax, 0.09 per cent. from the ground tax, 0.94 per cent. from the dog tax, 1.66 from the amusement tax, and 22.85 from the slaughter tax, 0.78 per cent. from the game tax, 1.20 from the beer tax, and 3.08 per cent. from the malt tax. The game, beer, and slaughter tax are active dues. The proceeds of the amusement tax and the dog tax are appropriated to the care of the poor.

HOW THE COMMUNAL TAX IS COLLECTED.

All inhabitants of the city, whether Prussians or aliens, who have an income of their own, must pay the communal income tax, which is collected every month, the rate being doubled in the first three months of each year, making the total payments equal to fifteen monthly rates.

Tax rates on annual incomes.

Incomes not exceeding—	Tax per annum.	Incomes not exceeding—	Tax per annum.	Incomes not exceeding—	Tax per annum.	Incomes not exceeding—	Tax per annum.
$71.40	$1.09	$1,000.00	$30.00	$7,711.20	$231.28	$71,400.00	$2,142.00
99.96	1.90	1,142.40	34.27	8,568.00	257.04	85,680.00	2,571.40
157.08	3.57	1,285.20	38.56	9,996.00	299.88	99,960.00	2,999.80
214.20	5.37	1,428.00	42.84	11,424.00	342.72	114,240.00	3,427.20
249.90	6.81	1,713.60	51.41	12,852.00	385.56	128,520.00	3,855.60
285.60	8.22	2,004.20	59.98	14,280.00	428.40	142,800.00	4,284.00
321.15	9.28	2,284.80	68.54	17,136.00	514.08	157,080.00	4,712.40
347.00	10.71	2,570.40	76.08	19,992.00	595.00	171,360.00	5,140.80
392.70	11.80	2,856.00	85.68	22,848.00	684.94	271,320.00	7,765.00
429.40	13.85	3,327.20	102.81	25,704.00	771.12	285,600.00	8,568.00
500.00	15.00	3,998.40	119.95	28,560.00	856.80	314,160.00	9,424.80
571.20	17.14	4,545.80	137.08	34,272.00	1,028.16		
642.60	19.28	5,140.80	154.46	39,984.00	1,199.52		
714.00	21.42	5,997.60	179.12	48,552.00	1,456.56		
856.80	25.70	6,854.40	205.63	57,120.00	1,713.60		

ONLY PRIVATE SERVANTS EXEMPTED.

Incomes of less than $71.40 per annum are not taxed, nor is the income of servant girls in private families; but all servants in public houses must be prepared for the monthly visits of the tax-collectors; nursery governesses and others, whether Germans or aliens, who may receive wages to the amount of, say, $70 a year must pay the tax, the value of their board and lodging being added to their wages in estimating their income.

In addition to the communal income tax, every person whose yearly income is not less than $128.82 must pay a state income tax.

The state and communal income taxes in Breslau amount to $3.63 per head of the population. The number of persons paying the taxes is 76,000, and of these 64,000 pay on incomes varying from $71.40 to $347 per annum.

WHO PAYS THE COMMUNAL INCOME TAX.

All persons who have a legal residence within the city's limits.

All who, without being residents, have been domiciled in the city for three months.

All judicial persons and stock companies, including the general agencies of insurance companies, as also all physical persons who, not living in the city, own real estate or conduct business therein; but only their income derived from such sources is taxed.

Exempt from the communal income tax are: The Royal Fiscas (the State and its property), the exchequer, churches, schools, charitable institutions.

The salaries of military officers in active service are also exempt. If, however, such officers own real estate or participate in any business in the city, their income from such sources is taxable, as is also the income from private practice of army surgeons.

FURTHER EXEMPTIONS.

The pensions granted to widows by the State or by benevolent foundations; funds for the education of the orphans of public officers or

servants; the salaries, emoluments, and pensions of clergymen, ecclesiastical servants, and elementary school teachers; the pensions and waiting money of public servants so long as the amount does not exceed $178 per annum.

The official salaries and emoluments of persons in the State or municipal service are taxable only at half rates, as also is the excess over $178 per annum mentioned in the preceding paragraph. All public servants, clergymen, etc., must pay full amount of tax on income derived from other sources than their official salaries and emoluments.

The entire income of every taxable inhabitant, whether derived from invested capital, from real estate, from business or occupation of any kind is taxed, but the income from real estate situated beyond the city limits is free from the local communal tax. Persons living here, however, who are supported wholly or partly by money received from abroad must pay the communal income tax on the amounts thus received.

The amount of income in cases where reliable statement has not been made is estimated or the tax fixed at the rate of the previous year. From the decision of the tax commission the tax-payer may appeal, but pending the examination of the case he must pay the full amount claimed.

REAL-ESTATE TAX.

The State tax on buildings amounts to 4 per cent. on the better class of property, and 2 per cent. on inferior buildings, such as workshops, stables, sheds, etc. The value of real estate in the city, as estimated for taxation, is about $6,500,000, omitting, of course, the non-taxable property. The amount of state tax collected on both classes of buildings and vacant lots is $230,000.

For collecting the real-estate tax the city charges 3½ per cent. on the amount collected, and, in addition, collects 50 per cent. of the total amount for its own use.

BUSINESS TAX.

According to the magnitude of the business, trade, or occupation, a tax of $0.72 to $461.25 per annum must be paid by every person or firm engaged in any mercantile, professional, industrial, agricultural, or other pursuit. They are classed as "manufacturers and large dealers," "lesser merchants," "tradesmen without mercantile privileges," "retailers of spirituous liquors," "restaurant and inn keepers," "purveyors of refreshments in general," "mechanics of all description," "boat-owners," "livery-stable keepers and all owners of hacks or cabs," "peddlers," etc. Eight groups are formed of these various employments, of which the first pays $0.70 to $4.28 tax per annum; the second, $5 to $5.71; the third, $7.14 to $10.00; the fourth, $11.45 to $14.28; the fifth, $17.14 to $25.70; the sixth, $29.99 to $38.56; the seventh, $42.84 to $51.42; and the eighth group from the latter sum up to $461.25.

Every merchant and tradesman must contribute a certain sum yearly toward the maintenance of the chamber of commerce, an institution chartered by the State, and which can not issue a report until the proof-sheets have been submitted to the Government and approved.

OTHER TAXES.

The slaughter tax yields about $309,400 a year, and of this amount the State receives nearly $28,180. For every hundred-weight of meat killed within the city limits the tax is $1.07. When the tax is paid on the entire carcass the charges are: for an ox $5.89, a cow $3.75, a calf $0.54, a hog $1.61, a sheep $0.40; meat or fat, raw or manufactured, brought into the city, pays a duty of $1.43 per hundred-weight.

The game tax produces about $8,400 per annum, the beer tax $114,000, the public-amusements tax $18,000, the dog tax $10,186, the city's addition to the buildings tax $119,000, to the ground tax $960.

On every hectoliter (about 28½ gallons) of beer brought into the city a duty of 16 cents is paid. Every public dance pays 72 cents up to 11 o'clock p. m. and $1.43 if continued after that hour.

Per head of the population the average of all taxes is $7.14.

OTHER SOURCES OF CITY REVENUE.

Among other sources of the city's revenue are the water and gas works, numerous licenses and fees, profits of the city's insurance and loan offices, etc.

The loan office charges 8 to 10 per cent. interest, the former on loans over $351, the latter on sums under $72; loans are made on valuables of all kinds, but only to responsible persons and for periods of one to three months.

THE PAUPER AND THE TRAMP'S CONTRIBUTIONS.

The poor-house inmates are by suitable employment made to contribute their mite to the city's income, as are also the jails and the workhouse. The Breslau workhouse had during the fiscal year 1886–'87 an average of 787 inmates. Its expenditures per head for the year were $37.90; the earnings per head $40.76; excess of total earnings over expenditures, $2,250.82. In Berlin, Dresden, and other large cities and towns of Silesia the workhouse expenditures are largely in excess of the inmates' earnings. In Berlin in 1885 the cost per head was $84.70, the earnings only $11.19, making a deficiency of $100,693.65.

THE CITY BUDGET.

The estimated receipts and expenditures of this city for the fiscal year ending March 31, 1888, are as follows:

Receipts and expenditures.

RECEIPTS.		EXPENDITURES.	
Poor-house labor and prisons	$75,817.28	Care of city poor	$173,763.80
The city's domains	38,572.66	Care of city's domains	5,126.52
Police administration	10,836.14	Police	20,932.10
Police prisons	1,668.38	Police pensions	6,819.69
City schools	111,166.23	City schools	573,162.31
Communal burying-ground.	2,345.49	Communal burying-grounds	1,085.28
Taxes, rates, licenses, etc.	481,445.44	Collection of taxes, rates, trade dues, etc	9,032.10
Municipal insurance and fire brigade	13,604.08	Municipal insurance office and fire brigade	140,863.83
The city's mews	8,967.84	The city's mews	55,845.51
The city's buildings	9,866.29	Roads, bridges, water courses, etc	98,159.30
Sewers, etc	14,847.75	Sewers, and disposal of sewage	23,751.21
Registrar's offices	856.80	Registrar's offices	5,140.80
Statistical office	255.28	Statistical office	4,874.24
Miscellaneous receipts, including gas and water works, city bank, and city theater	486,198.30	City government in general.	791,960.47
Breslau's share of the agricultural import duties (law of May 14, 1885, "Cy Huene")	12,614.00		1,910,617.59
15 "simpla" of communal income tax	647,951.00	Extraordinary expenditures	98,245.69
	1,916,723.96	Total expenditures	2,008,863.28
Extraordinary receipts	92,139.32		
Total receipts	2,008,863.28		

The foregoing comprises the entire receipts and expenditures of the city government, including the interest on the city debt and the maintenance of the sinking fund. But the item above, "collection of taxes," etc., is misleading. Included in the expenses of the "city government in general" a member of the finance committee of the city council assured me are "payments to tax-office clerks, $2,199.12;" "tax-office and cashier's assistants, $17,336.92;" and "tax collectors, $18,868.64;" which make the cost of the collection of taxes at least $47,436.78.

INCOME TAXES ELSEWHERE.

In a few towns in the province the income tax is lower than in Breslau. In two towns of over 30,000 inhabitants the communal tax has only recently been introduced—in Sprottan the new tax being collected for the first time this year. Many of the smaller towns, however, owing in some to a large proletarian population, in others to debts incurred in making local improvements too hastily, have to pay communal income taxes double and treble that of Breslau. In the town of Kœnigshütte, in Upper Silesia, for example, the population increased in the last twenty years 106 per cent., while the communal burdens increased 298 per cent., and the contribution demanded of the tax-paying part of the population increased 821 per cent. Petty hucksters, with a small stock of potatoes, second-hand clothes peddlers, servant girls earning $4.25 a quarter, are inscribed in the first rate of the class tax list in addition to paying the communal income tax. The following table shows the burden of taxes now borne by persons with incomes of from $214.20 to $915 per annum. In addition to these taxes the miners and furnace-men, who comprise a large part of the populaton, must pay their "Knappschaff" (insurance and benefit fund) dues.

On incomes—	Class and classified income tax.	Communal incometax.	Church rate (for Catholics).	Business tax.	Total.
Of $214.20	$2.14	$8.70	$0.54	.....	$11.38
Of $482.40	8.57	34.79	2.14	11.43	57.23
Of $714.00	21.42	82.47	5.36	.....	109.25
Of $952.00	25.70	104.24	6.45	17.14	153.53

HENRY DITHMAR,
Consul.

BRESLAU, *July* 16, 1887.

TAXATION IN BRUNSWICK.

REPORT OF CONSUL FOX.

The financial condition of this duchy is particularly good. I inclose a statement marked A, which I take from the official report of the committee on finance of the Brunswick diet, of November 22, 1886, showing the estimated receipts from taxes and other sources for the fiscal period (the budget is for three years) 1885–'87, together with expenditures for public purposes during the same time. This statement shows the receipts are estimated to be 29,772,600 marks, whereas the actual sum, after making certain reductions, is reported by the ministry to be 28,669,000 marks. It will be observed that the duchy is fortunate

in the possession of sources of revenue, the income from which is a very important factor in meeting the necessities of government and proportionately relieving the tax-payers.

TABLE A.—*Receipts and expenditures.*

No.	Receipts.	Amount.	No.	Expenditures.	Amount.
		Marks.			*Marks.*
1	Surplus from Cammergut	2,515,600.00	1	Obligations to empire	2,349,000.00
2	Direct taxes:		2	Ministerial departments, etc	402,000.00
	(*a*) Ground tax	3,410,700.00	3	Legation at Berlin	67,500.00
	(*b*) Personal tax	361,200.00	4	Legislature	107,000.00
	(*c*) Trade tax	750,000.00	5	Justice	4,014,900.00
3	Indirect taxes:		6	Finance:	
	(*a*) Surplus from ducal customs of tax office.	1,079,700.00		(*a*) Finance department	881,400.00
	(*b*) Court fees	1,650,000.00		(*b*) Tax department	30,000.00
	(*c*) Share of surplus from imperial customs, tobacco tax, and imperial stamp tax.	2,228,700.00		(*c*) Customs	108,000.00
				(*d*) Buildings	1,128,000.00
			7	Gensdarmerie-corps (mounted police)	507,000.00
4	Interest on bonds	2,408,000.00	8	Police department:	
5	Annuity from selling of railroad.	7,875,000.00		(*a*) Circuit department	871,200.00
6	Loan institution	1,200,000.00		(*b*) Hospitals, etc	198,000.00
7	Publications of records, etc	15,000.00		(*c*) Agricultural division	218,400.00
8	Lottery	3,326,400.00		(*d*) Police in Brunswick and Wolfenbüttel	476,500.00
9	Surplus from fiscal period 1882–'84	2,624,969.34	9	Costs of building:	
10	Extraordinary	27,330.66		(*a*) Ducal department	2,055,500.00
				(*b*) Justice department	173,430.00
				(*c*) Circuit department	313,200.00
				(*d*) Customs department	62,300.00
				(*e*) Various	89,600.00
			10	Pensions (civil)	2,000,100.00
			11	State debt:	
				(*a*) Interest	3,429,000.00
				(*b*) Amortization fund:	
				1. Common	1,462,500.00
				2. Extraordinary	600,000.00
				(*c*) Premium loan	3,659,220.00
			12	Extraordinary expenditures	2,715,892.00
			13	Deficit in cloister fund	1,530,000.00
			14	Extraordinary	373,058.00
	Total	29,772,600.00		Total	29,772,600.00

CAMMERGUT.

There are 58 domain and cloister estates. These, together with the forests, hunting privileges, fisheries, water-power, mines, blast-furnaces, and quarries, form the so-called "Cammergut." These properties belong to the duchy, and can not be sold except with the authority of the representative legislative body. They are farmed out, under the direction of a government department, in three divisions (domains, mines and forests). Formerly the total revenues from the "Cammergut," as in fact all state revenues, accrued to the crown direct, by whom the expenses of government were paid, but in 1832 a division was made; the "Cammergut" passed into the actual possession of the duchy, with the stipulation that the revenues therefrom, after deducting cost of maintenance and administration, should first be applied to meeting the necessities of the reigning sovereign. This has been regulated in the form of a civil list, which, as established by law, amounts to 825,332.67 marks annually. The surplus from the "Cammergut," after payment of the above, as shown in the statement, is 2,515,600 marks. The properties and moneys which formerly belonged to the now defunct University of Helmstedt form a so-called cloister and study fund; the revenues therefrom are devoted to churches, schools, and charitable purposes. This fund shows an estimated deficit of 1,530,000 marks (actually

1,460,500 marks), which is covered out of the surplus from the "Cammergut." The "Cammergut" and cloister and study fund are administered together, and in the Statement A only the results are given, the surplus of one is offset in part by the deficit in the other; but in order to obtain a correct view of the actual financial condition of the Duchy the total receipts and expenditures in these departments should be included, since they are in reality part and parcel of the general receipts and expenditures of the government. Taking, therefore, this fund into account, the total receipts and expenditures of the ducal government are increased, round, 8,624,000 marks, or, in all, 27,293,000 marks. Which latter sum is the basis for making calculations of percentage of taxes to total revenue.

TAXES.

The fact that the amount of taxes collected has been considerably in excess of necessities caused a resolution to be introduced into the Diet March 10, 1883, calling upon the Government for suggestions in regard to the disposal of the surplus. In compliance therewith, the ducal ministry proposed that 18 per cent. of the ground taxes should be refunded to the communities, and that the personal tax for the first nine classes should be collected for eight months of each calendar year only, the tenth class to be wholly freed from payment. This mode of tax rebate was finally accepted, after much discussion, and then only under the supposition that a permanent solution of the problem would be be reached at the next succeeding session. The doubtful expediency of the arrangement was not only recognized by the representative chamber, but by the people, who presented numerously signed petitions, to the end that a general revision of the manner of taxation should be made. In the face of the circumstances, however, a provisional arrangement was necessary, since it was impossible to know at that time how the new and impending imperial tariff and tax reforms would affect the receipts from and contributions to the Empire.

The fortunate financial situation of the duchy has made it possible to meet the continually increasing necessities without at all straining the tax power of the people. The percentage of direct taxes to total revenue for the past fifty years (since the establishment of the constitution) has been as follows:

Financial period:	Per cent.	Financial period:	Per cent.
1	40.00	9	26.00
2	39.00	10	26.00
3	36.00	11	24.73
4	35.00	12	20.97
5	34,00	13	18.06
6	32.00	14	15.11
7	29.00	15	19.47
8	27.00	16	22.19

1882	14.59
1883	16.11

GROUND TAXES.

All dwelling-houses are subje ct to tax, and under the law of March 20, 1873, the same is assessed upon a sum equal to one-half of the rental as tax capital.

For each 1,500 marks additional rental, in excess of 9,000 marks in first class, the tax capital is increased 750 marks, and all dwelling-houses

having a rental less than 60 marks are placed in class 23 and pay a tax of 3 marks. The law of May 11, 1870, established the division of taxable agricultural property into 13 classes, representing a tax capital of from $26.77 to $0.59 per hectare (2,471 acres), as follows:

Class.	Farm land yielding winter grain, per hectare.	Meadows yielding hay, per hectare.	Commons for pasturage of cattle, per head.	Tax capita, per hectare.
	*Schefel.**	*Centner.†*	*Hectare.*	
I	60	120	⅛	$26.77
II	55	108	¼	23.80
III	50	96	⅓	20.82
IV	45	84	½	17.85
V	40	72	⅔	14.87
VI	35	60	¾	11.90
VII	30	50	⅞	9.52
VIII	25	40	1	7.14
IX	20	30	1	4.76
X	15	20	1½	2.97
XI	12½	16	2	2.08
XII	10	12	3	1.19

*1.6 bushels. †110.23 pounds.

When the capacity of the land is estimated at less than the above, the same comes under class 13, with a tax capital of 2.50 marks ($0.59 per hectare.) Ponds and lakes which can be drained are assessed according to the value of the neighboring property, and when such land has various values, the average is taken.

Forests are divided according to their yield into four classes, viz:

	Per hectare.
First class	$4.76
Second class	3.17
Third class	1.58
Fourth class	0.79

The ground tax is estimated at 3,410,700 marks, or 9.14 per cent. of total revenue.

PERSONAL TAXES.

Subject to personal tax are: (1) All residents of the duchy of both sexes over twenty-one years of age; (2) foreigners of like age who have resided continually within the duchy for the period of six months. The liability to payment of the tax commences with the first day of the seventh month of continued residence.

Exempt from personal tax are representatives of foreign governments (special provisions), military, etc.

The table marked C shows how the personal tax is determined. The amount of this tax is estimated at 361,200 marks or 0.97 per cent. of total revenue.

TABLE C.—*Personal tax tariff assessed.*

Description.	Class.	Annual income.	Monthly personal tax.	Description.	Class.	Annual income.	Monthly personal tax.
		M'ks.	Mk's.			M'ks.	M'ks.
Court, state, church, school, civil, and military officers, pensioners, and their widows, etc.; also all civil and military officers who have studied at a university, or have passed a state examination, inasmuch as they do not belong to a higher class, whose annual income equals or exceeds—	I.	9,000	10.00	Physicians, lawyers, notaries, artists, private teachers according to estimated income, equal to or exceeding—	VI.	60	.90
	II.	6,900	7.50		VII.	30	.42
	III.	5,400	5.00		VIII.	15	.34
	IV.	3,600	3.00		IX.	6	.27
	V.	2,700	2.00		X.	.....	.20
	VI.	1,800	.90		I.	.....	10.00
	VII.	1,500	.42	Persons living on their income, persons paying no trade tax and not embraced in any of the foregoing classes, agriculturists and gardeners in the city of Brunswick, according to estimated income, equal to or exceeding—	II.	.....	7.50
	VIII.	1,200	.34		III.	9,000	5.00
	IX.	900	.27		IV.	6,000	3.00
	X.	.....	.20		V.	4,200	2.00
Landowners whose land has a ground tax capital equal to or exceeding—	I.	24,750	10.00		VI.	2,400	.90
	II.	16,500	7.50		VII.	1,800	.42
	III.	8,250	5.00		VIII.	1,200	.34
	IV.	4,950	3.00		IX.	900	.27
	V.	3,300	2.00		X.	.....	.20
	VI.	1,650	.90	Children over seventeen years of age, who live with and assist their parents in their vocations. Assistants and all other persons not embraced in foregoing classes are included in class 10.	I.	.....	10.00
	VII.	810	.42		II.	.....	7.50
	VIII.	390	.34		III.	7,200	5.00
	IX.	210	.27		IV.	5,400	3.00
	X.	.....	.20		V.	3,600	2.00
Leaseholders, when the holdings have a ground tax capital equal to or exceeding—	I.	.....	10.00		VI.	2,400	.90
	II.	24,750	7.50		VII.	1,800	.42
	III.	16,500	5.00		VIII.	1,200	.34
	IV.	8,250	3.00		IX.	900	.27
	V.	4,950	2.00		X.	.....	.20
Industries which pay annual trade tax equal to or exceeding—	VI.	3,300	.90		I.	18,000	10.00
	VII.	1,650	.42	REMARKS.—Ministers of the gospel are not to be assessed higher than the third class.	II.	12,000	7.50
	VIII.	810	.34		III.	9,000	5.00
	IX.	390	.27		IV.	6,000	3.00
	X.	.....	.20		V.	4,500	2.00
House teachers, secretaries, directors of industrial establishments, traveling salesmen whose income equals or exceeds—	I.	390	10.00		VI.	3,000	.92
	II.	300	7.50	Physicians, advocates, and notaries public to be assessed not less than seventh class.	VII.	1,800	.44
	III.	216	5.00		VIII.	1,200	.37
	IV.	150	3.00		IX.	900	.20
	V.	96	2.00		X.	.....	.20

TRADE TAXES.

The following trades and professions are not subject to tax: (1) Agriculture, gardening, rearing of animals, forestry, wine-growing, hunting, fishing, sand, gravel, lime, marl, and clay beds, quarries (where only the rough stone is sold), springs, etc. (2) Mining (raw products). (3) State, commune, clerical, and school service. (4) Advocates and notaries public. (5) Physicians, surgeons, dentists, accouchers, midwives, veterinary surgeons, and private hospitals. (6) Private schools. (7) Literary works, artists, inasmuch as they are not mechanics or manufacturers, musicians, architects, civil engineers, mathematicians, fencing and dancing masters.

The following are exempt from trade tax: (1) All trades and manufactures carried on by the ducal court and government. (2) All industries carried on in public poor-houses and charitable institutions, so far as they are for public use, such as gas and water works, etc. (3) Weavers with no more than two looms. (4) Livery and freighting and boatmen (not residents). (5) Seamstresses, embroiderers, milliners, laundresses, cooks, etc., provided they do not have business stands. (6) Communal bakers who are lessees of communal bakeries, provided they do not bake wheat bread or rye bread for sale outside of the community. With the exception of the above, all residents and foreigners carrying on business, either singly or in association, within the duchy of Brunswick, are subject to a trade tax, which is assessed in twenty-four classes ranging from 3,000 to

3 marks. The factors which determine the class are: (1) number of employers, (2) size of the place.

As for example, a woodworker employing fifteen hands would be in Class XII in a place with 12,000 inhabitants or over, and pay 75 marks yearly, whereas in a place of less than 12,000 and more than 2,000 inhabitants he would be in Class XIII, with 60 marks, and in a place of less than 2,000 inhabitants he would be in Class XIV and pay 30 marks. The trade tax amounted to 2.01 per cent.

INDIRECT TAXES.

The indirect taxes are collected by the ducal customs and tax office, principally for and in behalf of the imperial revenue, and the surplus which accrues to the duchy therefrom comes in part from the compensation paid to the ducal government by the Empire for their collection. The following are collected for the benefit of the ducal revenue:

	Marks.
Stamp tax	172,500
Tax on inheritance	210,000
Tax on transfers	225,000
Total	607,500

In regard to the other indirect taxes, it is estimated that the ducal government will collect for the Empire during the fiscal period 1885–'87 the sum of 35,785,800 marks; this amount will come chiefly from the tax on beets for sugar manufacture, and will not therefore be actually paid by the inhabitants of the duchy alone, since the major quantity of the sugar being exported, the money is refunded by way of a bonus. The Imperial Government allows 1,467,000 marks as compensation for collection of the above. The cost of administration and collection is, however, considerable, and notwithstanding the fact that the revenues from stamp tax, inheritance, and transfer taxes are to be added, the actual gain to the ducal revenue is estimated at 1,079,700 marks only, adding hereto the sum of 2,288,700 marks—the share of the duchy in the imperial customs and tobacco revenues—the actual amount received from indirect taxes is 3,308,400 marks, or 8.87 per cent. The court fees, 1,650,000 marks, hardly to be considered indirect taxes, are 4.42 per cent of all revenues.

INTEREST AND ANNUITY FROM RAILROAD.

In 1869 the Brunswick Railroad was sold, the purchase sum being 33,000,000 marks, payable with interest in sixty-four years in annual installments of 2,625,000 marks. The first payment was made March 8, 1870, and the last will be due in 1933. These moneys have been invested in bonds and the annual interest applied to the revenue. The items of interest and annuity appear in Statement A with 2,408,000 and 7,875,000 marks respectively. The Brunswick Railroad has since passed into the hands of Prussia, and, as the connecting link between the Berlin, Potsdam, Magdeburg and the Bergisch-Märkische lines, is now a part of the trunk system of Prussian state railways.

LOAN INSTITUTION.

Connected with the ducal government is a loan bank (Leihhaus,) which lends money on real estate in the duchy, and also upon pledgers (pawn brokerage). The revenue herefrom for the fiscal period is estimated at 1,200,000 marks.

LOTTERY.

The Ducal Brunswick Lottery, approved and guarantied by the duchy, has been farmed out to an association, who carry on the same under the supervision of Government officers. The revenue to the Government therefrom is noted at 3,600,000 marks for the fiscal period. The lottery business is also a very lucrative one in other German states. Prussia, Saxony, Baden, and the city of Hamburg all have officially licensed and guarantied lotteries. The Imperial Government imposes a tax upon each ticket sold. This, however, does not carry with it the privilege to dispose of them indiscriminately throughout the imperial domain; on the contrary, the individual states are exceedingly jealous of their rights in this regard.

Prussia, for instance, who does not concede the lottery privilege, but carries it on directly as a government institution, punishes very severely any encroachment upon her territory by agents of other lotteries, but the demand for tickets in the Prussian lottery was formerly so great that they sold at a premium, which fact operated greatly to the advantage of other gift enterprises seeking business in Prussian territory, and a year since the Government increased the number of tickets from 100,000 to 190,000 in consequence. I understand that the larger number of tickets in the Prussian lottery are purchased by her own citizens, whereas at least 90 per cent. of those of the Brunswick lottery are sold elsewhere than in the duchy.

SURPLUS FROM FISCAL PERIOD 1882–1884.

This sum amounted to 2,624,969.34 marks, and has been placed in the budget in compliance with a resolution of the Brunswick diet.

EXTRAORDINARY.

This item comes from various sources, selling of public property, renting of ferries, etc.

EXPENDITURES.

The amount to be paid to the Empire from the duchy is fixed upon annually by imperial law, and is estimated for the fiscal period 1885–1887, at 2,349,000 marks; deducting the sum of 2,228,700 marks, which the duchy receives from the Empire, as share of the customs, tobacco, and stamp tax, there remains an actual balance of 120,300 marks due the imperial revenue from the duchy.

The further items are such as sufficiently explain themselves, except, perhaps, No. 12 (extraordinary), in which appropriations for the new ducal museum, lately finished, is included.

TABLE D.—*Plan of the hundred and third state lottery.*

[98,000 tickets and 49,000 prizes approved by the ducal Brunswick-Luneburg government.]

Description.	No. and price (in marks) of prizes.	Amount.	Description.	No. and price (in marks) of prizes.	Amount.
		Marks.			*Marks.*
First class.—Subscription 16 marks, including collecting fees and imperial stamp duty 80 pfennigs. Drawing July 14 and 15, 1887.	1	30,000	*Fourth class.*—Subscription 24 marks, including collecting fees and imperial stamp duty 1 mark 20 pfennigs. Drawing September 22 and 23, 1887.	1	60,000
	1	10,000		1	20,000
	1	5,000		1	10,000
	1	3,000		1	6,000
	1	2,000		1	5,000
	2 at 1,000	2,000		2 at 3,000	6,000
	3 at 500	1,500		3 at 2,000	6,000
	5 at 300	1,500		5 at 1,000	5,000
	10 at 200	2,000		10 at 500	5,000
	25 at 120	3,000		25 at 300	7,500
	50 at 80	4,000		50 at 250	12,500
	1,900 at 40	76,000		3,900 at 130	507,000
	2,000	140,000		4,000	650,000
Second class.—Subscription 16 marks, including collecting fees and imperial stamp duty 80 pfennigs. Drawing August 4 and 5, 1887.	1	40,000	**Fifth class.*—Subscription 24 marks, including collecting fees and imperial stamp duty 1 mark 20 pfennigs. Drawing October 17 and 18, 1887.	1	80,000
	1	12,000		1	24,000
	1	6,000		1	12,000
	1	4,000		1	8,000
	1	3,000		1	6,000
	2 at 2,000	4,000		2 at 4,000	8,000
	3 at 1,000	3,000		3 at 3,000	9,000
	5 at 500	2,500		5 at 2,000	10,000
	10 at 300	3,000		10 at 1,000	10,000
	25 at 200	5,000		25 at 500	12,500
	50 at 150	7,500		50 at 300	15,000
	3,900 at 70	273,000		2,900 at 150	435,000
	4,000	363,000		3,000	629,500
Third class.—Subscription 24 marks, including collecting fees and imperial stamp duty 1 mark 20 pfennigs. Drawing August 29, 30, and 31, 1887.	1	50,000	*Sixth class.*—Subscription 16 marks, including collecting fees and imperial stamp duty 80 pfennigs. Commencement of drawing November 7, 1887. End of drawing December 1, 1887.	1 premium	300,000
	1	15,000		1*	200,000
	1	8,000		1*	100,000
	1	5,000		1*	80,000
	1	4,000		1*	50,000
	2 at 2,000	4,000		1*	40,000
	3 at 1,000	3,000		1*	30,000
	5 at 500	2,500		4 at 20,000*	80,000
	10 at 300	3,000		20 at 10,000*	200,000
	25 at 240	6,000		50 at 5,000*	250,000
	50 at 200	10,000		100 at 3,000*	300,000
	4,900 at 100	490,000		300 at 2,000	600,000
	5,000	600,500		700 at 1,000	700,000
				1,000 at 500	500,000
				28,820 at 150	4,323,000
				31,000†	7,753,000

* Receives at the same time the above premium of 300,000 marks.
† And one premium.

NOTE.—The highest prize in the most favorable case is 500,000 marks.

Balance sheet.

Class	Receipts.			Expenditures.	
	No. tickets sold.	Price (without collecting fees).	Total receipts.	No. prizes.	Amount.
		Marks.	*Marks.*		*Marks.*
1	98,000	15	1,470,000	2,000	140,000
2	96,000	15	1,440,000	4,000	363,000
3	92,000	23	2,116,000	5,000	600,500
4	87,000	23	2,001,000	4,000	650,000
5	83,000	23	1,909,000	3,000	629,500
6	80,000	15	1,200,000	*31,000	7,753,000
	98,000	.....	10,136,000	*49,000	10,136,000

* And one premium.

NOTE.—Particular attention is directed to section 14 of the regulations below.

REGULATIONS UNDER WHICH THE PLAN WILL BE EXECUTED.

Section 1.—*Form of the lottery.*—The hundred and third state lottery, approved and guarantied by the ducal government of Brunswick-Luneburg, consists, according to the plan, of 98,000 tickets and 49,000 prizes, divided into six classes.

Section 2—*Sale of tickets.*—After official revision and delivery of the tickets by the direction of the ducal lottery to the "Lotterie-Verwaltung," the sale of the tickets is effected by the "Lotterie-Verwaltung" to the chief collectors specially appointed, and through them to the public. The said chief collectors, although authorized to appoint subcollectors, are responsible for the latter and all those whom they intrust with the disposal of these tickets, namely, so far only as the notices with regard to renewed tickets withheld are given by the interested parties within the limits determined in sections 6 and 10.

The chief and subcollectors in this country, in order to have a right to deal in tickets publicly and without being interfered with, have to provide themselves with a concession, and have besides to follow the official prescriptions relating to the sale of tickets.

Section 3.—*Conditions of tickets.*—On each ticket a number is printed, commencing from 1 up to 98,000. Tickets are issued in whole shares and in fractional tickets divided into one-half, one-fourth, and one-eighth shares, the letter bearing an alphabetical letter of distinction with the number. All tickets bear the arms on the reverse side of this plan, as well as the stamped signature of the undersigned members of the direction and of the manager of the "Lotterie-Verwaltung," and only by this the complete validity of the ticket is established.

The chief and sub collectors are obliged to indicate upon the ticket by a stamp or by writing by what collection the respective ticket has been sold, upon the request of the subscribers.

Section 4.—*Price of the tickets.*—The subscriptions of each class, including the collecting fees as well as the imperial stamp duty, are indicated in the plan on the reverse side. The public are at liberty to pay in coin or notes of the Empire, or in bank notes authorized by the bank laws of the Empire.

Section 5.—*Drawings of the lottery and drawing lists.*—The drawings of the one hundred and third lottery are publicly effected by a ducal drawing committee, specially appointed, which is under the obligation to check carefully the number and prizes before putting them in the drawing wheels, to proclaim immediately the numbers and prizes drawn by orphans as they are being handed over, to have them written down at the same time by sworn recorders, and to put thereafter the seal of the committee on the numbers strung together with their prizes, as well as on the drawing-wheels. In each class only so many numbers of the tickets are drawn as according to the plan there are prizes in the winning wheel opposite. At the conclusion of the drawing of the last class, the numbers remaining in the drawing wheel are blanks.

Printed drawing and prize lists, the latter in numerical order, with the arms on the reverse side, are immediately distributed to the chief collectors for the inspection of the public. The lists, if agreeing, are final; newspaper and other reports do not constitute a right to a prize.

Section 6.—*Renewal of tickets.*—Each ticket is only available for the one class for which it is issued; and the tickets which in the first five classes have obtained prizes are excluded from the following. Therefore, one class after the other, the old tickets, not come out, would be replaced by new ones, bearing the same number, and these would be delivered to the interested parties, against payment of the subscriptions, stipulated in the plan. The renewal of the tickets has to be effected, at latest, eight days before the beginning of the drawing of each class, at the same collector from whom the tickets held up to that moment have been taken, upon production of the tickets of the previous class. However, if unable to obtain, within the period allowed for the renewal, a renewed ticket from the collector of whom the previous ticket has been bought, the interested party has immediately to apply direct to the "Lotterie-Verwaltung," paying or remitting, postage paid, simultaneously the amount of the subscription, collecting fees as well as imperial stamp duty included, according to the plan, in which case his right to the ticket of the next class, as also to the respective following classes, is reserved, conditionally that he pay the ulterior subscriptions, collecting and stamp fees according to the plan, and he shall be furnished immediately with a certificate about it. This has each time to be published in the Brunswick newspaper "Anzeigen," indicating the numbers of the tickets. Payments in advance of subscriptions, from the subscribers to the collectors, can not be recognized, in cases of renewal, by the "Lotterie-Verwaltung." A ticket notified as before mentioned which draws a prize the "Lotterie-Verwaltung" pays, after the lapse of two months from the date of the prize-list, the respective amount on demand of the person who claimed it, or to his lawful successor entitled to it, on restoring the certificate given to him, unless a seizing has been ordained by the competent legal authority.

The person who would have omitted to make the above declaration and payment to the "Lotterie-Verwaltung" before the end of the fourth day before the commencing of drawing of each class loses all his rights to the ticket held until that period, and the respective collector is then entitled to sell elsewhere that ticket which would not have been renewed until that moment. Should a collector have sold, however, a renewed ticket before the period authorized by the above stipulations, therefore unlawfully, in this case the holder of such ticket would in no way acquire a right upon the prize drawn and he could only have recourse for an indemnity against his seller

Any agreements between the collectors and subscribers relating to the payment of the subscription for tickets and delivery of the renewed tickets or any other separate stipulations not in conformity with the regulations of this plan are only binding for the contracting parties, and no responsibility can therefrom be derived and substantiated against the "Lotterie-Verwaltung" or against the chief collector, if the ticket has been bought from a subcollector.

Section 7.—*Tickets bought.*—On tickets bought in the course of the lottery only, after one or several classes have been drawn, the subscription, collecting fees, and imperial stamp-duty of the previous classes have to be paid; therefore a ticket bought of the second class costs 33 marks 60 pfennig, of the third class 58 marks 80 pfennig, of the fourth class 84 marks, of the fifth class 109 marks 20 pfennig, and of the sixth class 126 marks. As in consequence of the drawing of a ticket in any class whatever the further participation in the lottery is extinct for the number of this ticket, therefore tickets which, instead of drawn numbers, continue to be played, are also tickets bought and have to be paid for accordingly. For the better security of buyers of similar tickets the numbers of the tickets declared according to section 6 must each time be indicated under the next drawing and winning lists.

Section 8.—*Deduction from prizes.*—From all prizes 12 per cent. is deducted. Besides, the chief collectors (including the share of the eventual subcollectors) are entitled on all prizes to a deduction of 3 per cent. from the whole amount of the prize, and the collectors abroad to the re-imbursement of the forwarding charges for prizes of 300 marks and upwards.

Section 9.—*Payment of prizes.*—With the publication of the printed winning lists, in numerical order, the payment of prizes of each class, in coin or notes of the Empire or in bank-notes authorized by the bank law of the Empire, after deduction of the aforesaid percentage, is made to the collectors, and thereafter through the collector from whom the ticket has been bought to the party interested, against delivery of the original winning ticket, without which the prize can not be obtained. However, the holder of a ticket can not claim payment of his prize before the expiration of three weeks after the last day of the drawing of the respective class.

Section 10.—*Directions for the winner.*—If the winner or otherwise lawful holder of a ticket has not obtained payment of the prize from his collector three weeks after the last day of the drawing of each class, and should he therefore wish to have the same paid to him by the "Lotterie-Verwaltung" itself, in this case he has, immediately and latest before expiration of three months from the date of the prize-list, to give, post free, a written notice thereof direct to the "Lotterie-Verwaltung," remitting the original winning ticket, and he can thereafter take delivery of his prize, after deduction of the percentage for the lottery and for the collector, fourteen days after receipt of the notice, inasmuch as the case mentioned in section 12 has not occurred or a lien on the prize claimed has not been effected in consequence of a legal order of detention. Should, however, such notice be given only later or without inclosing the original winning ticket, the "Lotterie-Verwaltung" is not bound to payment.

Section 11.—*Disputes.*—The decision of disputes arising out of lottery affairs has to be given by the competent legal authorities.

Section 12.—*Tickets lost.*—In the event of tickets missing, the interested parties have to give information without delay to their chief collector, naming the alphabetical distinctive letters if they are fractional tickets, and the collector has immediately to give information to the "Lotterie-Verwaltung," giving the name of the claimant. In case of a prize having been drawn by the missing ticket, should the latter not be presented for payment of the prize within the term of forfeiture determined in section 12, then payment is made to the person who should have declared the loss. If, however, a ticket declared as missing is presented for payment within the term aforementioned, and in the event of the matter not being settled amicably, to which purpose a term of one month from the date in which the notice has been given is granted to the parties concerned, the person who declared the missing of the ticket is bound to institute the lawsuit and to authenticate within another month before the "Lotterie-Verwaltung" his carrying on the suit. This being done the respective prize remains in the hands of the "Lotterie-Verwaltung," as well as in cases of seizure by authorities, till the final decision of the court of justice. But in case that no sufficient evidence as already stated be furnished, the respective prize is to be handed over to the person who presented the ticket.

Section 13.—*Term of forfeiture of the tickets.*—Prizes not claimed within the term of three months from the date of the prize-list by any reason whatsoever remain forfeited in benefit of the lottery, except the cases treat upon in sections 6 and 12.

Section 14.—Any inquiries or applications concerning the participations in this lottery as well as complaints against collectors should be directed to the "Verwaltung der Herzoglichen Landes-Lotterie." In case of declining decisions an appeal to the direction of the Ducal Lottery is allowed.

Section 15.—Each subscriber can demand from the collector the delivery of the present plan and is thereby enabled to take accurate cognizance of all regulations, and be guarded thereby against eventual prejudice.

Direction of the Ducal Brunswick-Luneburg State-Lottery:

C. KRÜGER,
W. TEULOHN.

BRUNSWICK, *April* 20, 1887. *Verwaltung der Herzoglichen Landes-Lotterie.*
C. WOLFF.

THE ADMINISTRATIVE FEATURES AND FINANCES OF THE CITY OF BRUNSWICK.

The government of the city of Brunswick is vested in the magistracy and city council.

MAGISTRACY.

The magistracy is a corporate body of seven members, three of whom receive fixed salaries and are elected for life, viz: the chief mayor, the mayor, and the city counselor. The remaining four members are elected by the magistracy and city council in joint session, for six years; they receive no compensation. The magistracy holds regular bi-weekly sessions, but the preparation of all matters brought before it, and the execution of its mandates, devolve upon the three paid members mentioned, who, for the purpose of convenience, divide the work of administration between them into departments as follows:

(1) Under charge of the chief mayor: General supervision, personality of the city service, finance, Lutheran church (including cemeteries), schools, poor, fire department, gas and water works, orphan asylum.

(2) Under charge of the mayor: Deposits, buildings and parks, streets, boundaries, churches (Reformed Lutheran, Catholic and Jews), charitable institutions, legacies and stipends, city mill, and abattoirs.

(3) Under charge of the city counselor: State and communal taxes, associated charities, trade and manufactures, animals, Insurances, military, board of health, police.

CITY COUNCIL.

The city council is composed of twenty-seven members, elected by the citizens for six years. The electors are divided into three classes, according to amount of income tax paid, and the elections are so held that every two years the terms of one-third of the members of the council expire. The members receive no compensation. The council holds called sessions only, and all ordinances and appropriations of money for city purposes are made by it, and it further exercises general supervision over city affairs as the representative of the citizens.

CITY FINANCES.

The value of all city realty, including school buildings, abattoirs, fire department, gas and water works, etc., is estimated at the close of the calendar year, 1886, to be 16.060,533.31 marks, with a debt thereon of 7,157,463.55 marks. It is further estimated that 10,280,000 marks of

the above is property yielding revenue; the balance of 5,780,000 marks consists of scientific and art collections, public parks, and property principally for communal and school purposes, from which no revenue is obtained. Table A shows the ordinary receipts and expenditures and table B the extraordinary receipts and expenditures of the city government for the year 1886. The former shows a surplus of 99,673.08 marks, in which is included the permanent working fund of 69,500 marks. The latter shows a deficit of 154,802.85 marks. Table C is a statement of the capitalized property and capitalized debt of the city, showing the actual increase of the city debt in 1886 to have been 12,277.59 marks. The city has recently, 1887, negotiated a loan of 5,000,000 marks, at 3½ per cent. interest, for the purposes of municipal improvements, streets, bridges, etc.

TABLE A.—*Statement showing the ordinary receipts and expenditures of the city of Brunswick, Germany, for the year ending December* 31, 1886.

No.	Department.	Amount.	Per cent.	No.	Department.	Amount.	Per cent.
	RECEIPTS.	*Marks.*			EXPENDITURES.	*Marks.*	
1	City property	100,408.65	8.23	1	City property	185,693.01	16.57
2	Churches			2	Churches	3,387.28	.30
3	Schools			3	Schools	367,957.75	32.83
4	Science and art			4	Science and art	8,475.93	.76
5	Poor			5	Poor	133,716.85	11.93
6	Medicinal			6	Medicinal	537.62	.05
7	Amusements	616.67	.05	7	Amusements	2,417.17	.21
8	Fire department	16,555.09	1.36	8	Fire department	43,954.73	3.92
9	Police	28,018.36	2.20	9	Police	183,413.94	16.36
10	Streets	2,721.33	.22	10	Streets	5,228.73	.47
11	Taxes, etc	810,143.30	66.38	11	Taxes, etc	4,459.28	.40
12	State necessities	92,912.76	7.61	12	State necessities	19,354.24	1.73
13	City government	26,196.77	2.15	13	City government	136,026.28	12.13
14	Miscellaneous	142,947.82	11.71	14	Miscellaneous	26,224.86	2.34
	Total	1,220,520.75	100.00		Total	1,120,847.67	100.00

	Marks.
Receipts	1,220,520.75
Expenditures	1,120,847.67
Surplus	99,673.08

TABLE B.—*Statement showing the extraordinary receipts and expenditures of the city of Brunswick, Germany, for the year ending December* 31, 1886.

No.	Department.	Amount.	No.	Department.	Amount.
	RECEIPTS.	*Marks.*		EXPENDITURES.	*Marks.*
1	Movement of city property	572,842.42	1	Movement of property	87,302.00
2	Cash on hand	47,171.77	2	Advances	
3	Real estate sold	60.00	3	Real estate bought	71,676.73
4	Extraordinary and advances	1,676.64	4	Buildings	490,262.15
5	Miscellaneous	6,248.87	5	Miscellaneous	133,561.67
	Total	627,999.70		Total	782,802.55

	Marks.
Receipts	627,999.70
Expenditures	782,802.55
Deficit	154,802.85

TABLE C.—*Statement of the capitalized property and capitalized debt of the city of Brunswick, Germany, at the close of the year* 1886.

CAPITALIZED PROPERTY.

	Marks.
Mortgages	236,368.30
Bonds	313,900.00
Due from gas works	135,000.00
Due from water works	279,600.00
Uninvested capital	1,098.63
Loan to churches	240,000.00
Total	1,205,956.93
1885	993,624.30
Increase, marks	212,332.63

CAPITALIZED DEBT.

Loan from—	
Poor house	6,000.00
Police department	4,500.00
Communal charitable fund	2,100.00
Free Religion Association	24,000.00
Mortgage debt	84,000.00
Loan bank debt	327,000.00
Demands of citizens	144,350.00
Loan from circuit fund	2,977,177.67
Loan from Brunswick Credit Association	460,000.00
Total	4,029,127.67
Adding the deficit of extraordinary account, 154,802.85 marks (less 94,874.74 already due from gas works, payment extended)	59,928.11
Total	4,089,055.78

	Marks.	
Debt in 1885	3,525,102.12	
Adding deficit of 1885, covered in 1886	158,808.53	
		3,683,910.65
Increase in 1886		405,145.13

	Marks.	
Increase in value of city real estate, 1886	180,584.91	
Increase in value of capitalized city property, 1886	212,332.63	
		392,917.54
Actual debt increase, 1886		12,227.59

CIRCUIT FUND.

The Duchy of Brunswick is divided into five governmental divisions or circuits; each circuit, consisting of several townships, is in itself a distinct corporation. The city of Brunswick forms a circuit alone, and, although legally the circuit government is distinct and independent of the city government, actually the interests of the city and circuit are identical, and the government of both is invested in one and the same authority. A statement of the accounts and expenditures of the city of Brunswick would, therefore, be incomplete without reference to those of the Brunswick circuit.

Table D shows the receipts and expenditures of the circuit fund for 1886.

TABLE D.—*Statement showing the receipts and expenditures of the circuit fund (city of Brunswick) for the year* 1886.

RECEIPTS.

	Marks.
Movement of property	83,683.95
Cash on hand	20,383.01
Interest (from capital)	232,085.31
Miscellaneous	3,220.01
Total	339,372.28

EXPENDITURES.

	Marks.	
Movement of property		79,180.00
Interest		136,564.00
Extra allowances:		
Roads	17,857.12	
Common school fund	7,000.00	
Churches	12,000.00	
Poor	12,000.00	
Catholic church	200.00	
Injured firemen	900.00	
Widows of firemen	180.00	
		50,137.12
Cost of maintenance of insane:		
Idiots, blind, mutes		32,781.36
Cost of management		110.25
Total		298,772.73
Receipts		339,372.28
Expenditures		298,772.73
Surplus		40,599.55
At the close of the year 1886 the circuit fund amounted to		5,796,472.54
Less debts		3,448,200.00
Actually		2,348,272.54

In general the functions of the circuit government are similar to those of counties in the United States, and consist in caring for the interests of the communities within its jurisdiction, in regard to highways, roads, schools, poor, insane, idiots blind, mutes, etc.

TAXES.

The amount of state (ducal) taxes to be paid by the residents of the city of Brunswick, in 1886, is estimated as follows:

	Marks.
Ground tax	313,892.58
Personal tax	68,555.31
Trade tax	136,369.50
Total	518,817.39
Per capita exclusive of military	6.02

The communal or city tax is levied solely upon income and amounted for the five years from 1882 to 1886 as follows:

	No. of inhabitants (ex-military).	Total tax income.	Total communal tax.	Taxed income per capita.	Tax per capita.
		Marks.	*Marks.*	*Marks.*	*Marks.*
1882	76,621	35,058,000	705,245	457.54	9.20
1883	78,538	36,437,700	721,991	464.06	9.19
1884	80,515	38,514,500	768,014	479.66	9.53
1885	83,244	39,484,900	793,403	473.99	9.53
1886	86,251	38,921,500	801,628	454.79	9.33

There were in 1886 34,475 tax-payers, divided into classes of from 400 marks to 205,000 marks income with a tax of from 3.60 to 7,380 marks; further, sixty-six persons engaged in business in the city and residing elsewhere, paying income taxes here varying from 600 to 1,500 marks, and twenty stock companies paying from 236 to 4,300 marks annual income tax.

Under a resolution of the city council all persons having an income of 500 marks or less were, although assessed, exempted from payment of income tax in 1886.

In concluding this report I think it pertinent to say that all persons—excepting those exempt by law—including foreigners, residing in the city, are required to pay a tax upon income. I refer to this fact more especially for the reason that many fellow-contrymen come here to reside for a time, and hold the mistaken idea that since the sources of their income are elsewhere, that they can not be legally compelled to pay income or other taxes here. The law is very explicit upon this point. (Par. 8 of the imperial law of November 1, 1867,* according to which foreigners and new-comers in a community are subject to payment of communal taxes after the third month of residence.) One can not be forced to give information in regard to income, but the assessment is made by a commission, appointed for the purpose, upon the best information obtainable. If dissatisfied with the assessment, the tax-payers may make a reclamation; this involves, however the giving of such a detailed and exhaustive statement, eventually upon oath, in regard to his affairs that, generally speaking, it is preferable to submit to the assessment. In the cases of foreigners, at least of those which have come to my notice, the governing factor in determining the amount of income has always been the circumstances in which the parties live here; and that foreigners not engaged in business and owning no property are assessed upon such a sum as income which, according to best estimate, it costs them to live here. I think that this may be accepted as the rule in Germany generally.

WILLIAMS C. FOX,
Consul.

BRUNSWICK, *September* 15, 1887.

*Originally law of North German Union, incorporated into Imperial statute.

TAXATION IN SAXONY AND CHEMNITZ.

REPORT OF VICE-CONSUL MURPHY.

In Saxony there are two distinct systems of taxation, one for state and the other for municipal purposes.

Under the one head of state taxes, revenue is collected both for the support of the Empire and of the Kingdom.

The special taxes of the Empire are all of an indirect character, as will appear from an examination of the following estimate of receipts and expenditures for the fiscal year 1887–1888:

Estimate of the receipts and expenditures of the Empire for the fiscal year 1887–'88.

Description.	Amount for 1887–'88.	Decrease in future.
EXPENSES.		
REGULAR.		
	Marks.	*Marks.*
Confederal council		
Reichstag (parliament)	383,270	1,200
Imperial chancellor and court	141,360	
Foreign office	7,757,055	3,130
Imperial office of the interior	7,977,209	3,550
Administration of the imperial army	345,347,416	190,492
Marine administration	38,338,192	180,832
Administration of justice	1,924,058	
Imperial treasury department	153,404,386	2,600
Imperial railway department	298,680	
Administration of the imperial debt	19,919,500	
Bureau of accounts	529,773	
General pension fund	24,344,780	418,040
Fund for state invalids	26,846,098	93,400
Total of regular expenses	627,211,777	893,244
SPECIAL.		
Reichstag (parliament)		
Foreign office	431,550	
Imperial office of the interior	20,388,273	
Post and telegraph administration	4,180,648	
Administration of the imperial army	57,567,641	
Marine administration	9,142,770	
Administration of justice	850,000	
Imperial treasury department	7,400,000	
Administration of the imperial debt	223,400	
Imperial railway department	592,000	
Deficit of revenues for the previous year	17,229,377	
Total of expenses	745,207,436	893,244
RECEIPTS.		
Duties and excises	393,073,000	
Stamp duties	27,686,000	
Post and telegraph administration	29,447,683	
Imperial printing office	1,078,130	
Imperial railway department	16,696,600	
Imperial bank	2,108,500	
Miscellaneous receipts	8,429,228	
Interest on funds for state invalids	26,846,098	
Interest on loans	1,200,000	
Balance in treasury	72,597,791	
Matricular taxes to be raised by the separate states to cover the deficit in the imperial revenues	167,044,406	
Total income	745,207,436	
Total expenses	745,207,436	

HOW TO COVER A DEFICIT.

Whatever deficit there may be in the revenues of the Empire, as is shown in the above table, is raised by the individual states, each contributing in proportion to its population. It is therefore apparent that a deficit can not exist in the fiscal accounts of the Empire.

As these matricular taxes are raised by the separate states, the revenues and expenses of the Empire and of the individual kingdoms and duchies must be computed together in order to discover the proportion between the rates of direct and indirect taxation. As this proportion differs in the several states it is very difficult to deduce from statistics the average for the Empire, though the rate of indirect taxation per poll of the population of the Empire is undoubtedly lower than in most of the other great powers.

The reason for this is to be found in the fact that the greater part of the state taxes is of a direct character.

State taxes of Saxony for the fiscal year 1886–'87.

Description.	Amount.	Special appropriations included in the opposite amount.
DIRECT TAXES.		
Receipts.	*Marks.*	*Marks.*
Ground taxes	2,984,900	
Income taxes	15,820,000	
Taxes for carrying on itinerant trades	256,000	
Record stamps and duties on inheritance	2,111,000	
Court fees	30,000	
Miscellaneous receipts from fines, etc	71,940	
Total	21,223,840	
Expenses.		
Administration of stamp and inheritance taxes	10,300	
Administration of district taxes	61,700	300
Administration of township taxes	339,800	20,000
Expenses of assessment	218,220	
Expenses of collection	796,520	
General expenses	143,500	2,000
Total	1,570,040	22,300
Receipts	21,223,840	
Expenses	1,570,040	22,300
Surplus	19,653,800	
DUTIES AND EXCISES.		
Saxony's share of the customs duties paid over by the imperial government	8,550,000	
Expenses allowed by the imperial government for collecting certain imperial revenues:		
Marks.		
Custom-house expenses along the Austrian frontier 1,140,000		
Collection of tax on beet sugar 48,000		
Collection of tax on salt		
Collection of tobacco tax 400		
Collection of tax on brandy and on the retail sale of liquors. 541,000		
Collection of tax on beer and on the privilege of selling beer. 466,000		
Collection of stamp duties 10,900		
	2,206,300	
Tax on killing cattle and selling meat	3,879,500	
Rents	50,300	
Storage and loading revenues	52,500	
Miscellaneous receipts	19,000	
Total	14,757,600	
Total of receipts	14,757,600	
Total of expenses	3,047,700	17,705
Surplus	11,709,900	

In connection with the above statement in regard to the amount of state taxation, I submit the various revenues and receipts of the Saxon government for the year 1886–'87.

Revenues and receipts for the fiscal year 1886–'87.

	Income.	Expenses.	Surplus.
Receipts from state property.			
	Marks.	*Marks.*	*Marks.*
Forests and hunting privileges	10,985,670	3,718,035	7,267,635
State domains	617,724	119,158	498,566
State lime quarries	247,000	183,848	63,152
State vineyards and wine cellars	51,300	43,120	8,180
State apothecary shops	12,000	300	11,700
Elsterbad (a watering-place)	133,800	331,535	*197,735
Leipziger Zeitung (official organ)	245,350	243,599	1,751
China manufactory at Missen	1,546,000	1,176,000	370,000
Coal mine at Tanckerode	1,810,400	1,358,400	452,000
Peat-bogs at Kaditzsch	129,650	107,650	22,000
Mines and smelting-houses at Freiberg	2,386,250	1,959,610	426,640
Ultramarine works at Oberschleme	812,000	677,000	135,000
State shares in private ultramarine works	22,178	.....	22,178
Iron mines at Rothschönberg	87,300	11,250	76,050
Mints	9,510	82,510	*73,000
Royal railways	68,519,700	40,639,161	27,880,539
Royal lottery	5,209,250	947,309	4,261,941
Lottery investments (interest)	400,000	18,955	381,045
Miscellaneous receipts	1,700,000	.....	1,700,000
Total	94,925,082	51,617,440	43,307,642
Taxes and duties.			
Direct taxes	21,223,840	1,570,040	19,653,800
Duties and excises	14,757,600	3,047,700	11,709,900
Total	35,981,440	4,619,740	31,363,900

* Deficit.

RECAPITULATION.

Total from state property	94,925,082	51,617,440	43,307,642
Total from duties and excises	35,981,440	4,617,740	31,363,700
	130,906,522	56,235,180	74,671,342

Statement of expenses.

Item.	Income.	Expenses.	Surplus.
General expenses.	*Marks.*	*Marks.*	*Marks.*
Appropriation for the use of the King and Queen, court expenses, and court dresses for Her Majesty, the Queen	.....	2,940,000	2,940,000
Allowances for various services	.....	370,208	370,208
Expenses for the collection of scientific works and works of art belonging to the royal house	83,000	391,571	308,571
Interest on debts	.....	22,143,823	22,143,823
Appropriation for decrease of debt	.....	8,277,128	8,277,128
Interest on loans	.....	407,054	407,054
Various small expenses	.....	5,000	5,000
Expenses of the Landstag (legislature)	1,650	128,550	126,900
Stenographic institute	.....	29,250	29,250
General administrative expenses	.....	95,000	95,000
Total	84,650	34,787,584	34,702,934
General ministerial expenses.			
Council of state	10	26,850	*26,840
Office expenses	.....	7,350	7,350
Bureau of orders and decorations	1,475	10,375	8,900
Bureau of records	140	46,790	46,650
Bureau of accounts	.....	87,000	87,000
Official printing	570	1,440	870
Total	2,195	179,805	177,610

Statement of expenses—Continued.

Item.	Income.	Expenses.
Department of justice.	*Marks.*	*Marks.*
Ministry of justice, treasury, and office expenses	27,500	214,450
General court of justice and attendant expenses	6,200	350,990
Provincial courts and judges	6,120,800	9,236,735
Miscellaneous expenditures	.....	12,000
Total	6,154,500	9,813,175
Department of the interior.		
Ministry of the interior, with office expenses	5,350	359,374
Sheriffs and district administration	72,975	380,760
Bailiffs, and for rural court at Sayda	262,505	1,031,750
Industrial purposes	58,950	1,617,450
Royal stables at Moritzburg	27,425	177,110
Institute of physical science and for experiments	11,780	72,570
Control of factories and quarries, and for technical inspection of boilers	65,000	125,570
Improvement of drainage	.....	13,286
Inspection of weights and measures	.....	6,000
Technical committee	500	10,060
Subsidies to communities for roads, embankments, and water works	.....	190,000
POLICE PROTECTION.		
Gendarmerie (mounted police)	13,630	705,178
Chief office of police at Dresden	205,680	804,750
Contribution to the support of the police force at Leipzig	.....	45,000
Rewards for saving lives and finding dead bodies	.....	2,500
Special police	.....	8,100
Cost of transportation	.....	6,000
MEDICINAL MATTERS.		
Medicinal control, lying-in hospitals, and several other institutions	33,319	285,184
Commission or veterinary science, veterinary schools, and experimental station of chemical physiology	14,190	191,335
Medicinal and veterinary districts, subsidies to physicians in poor country communities, and for the education of assistant physicians	.....	183,490
Police assistance in medical and veterinary affairs	1,000	42,000
SUNDRY EXPENSES.		
Subsidies to certain other state institutions, and for the public interest	.....	49,700
Appropriations for injured firemen and their heirs, and subsidies for the support of the fire department	.....	30,000
Subsidies to poor country people	.....	500,000
Boundary survey	.....	3,600
Authentication of profession and marriage certificates	.....	10,000
Expenses for military matters, which are not paid from the military treasury	.....	42,900
Art purposes and institutions	9,540	830,830
Houses of correction and penitentiaries	1,382,950	3,665,480
Bureau of statistics	7,600	145,900
Miscellaneous expenses	.....	15,000
Total	2,170,414	11,551,237
Department of Finance.		
Ministry of finance	600	718,314
Administration of the public debt	1,000	122,390
Grosser garten (park in Dresden)	31,400	56,850
Foresters' Academy at Tharandt	20,600	86,530
School of mines at Freiberg	14,540	154,745
National savings bank	93,000	144,490
Roads and water-works	204,180	4,591,241
State buildings	1,150	142,500
Inspection of buildings	300	76,440
The castle of Albrechtsburg at Meissen	12,600	12,600
Various building purposes	20	12,500
General technical purposes	600	14,850
Legal expenses	.....	8,500
Miscellaneous expenses	.....	2,000
Insurance on real estate	.....	208,800
	379,990	6,352,750

Statement of expenses—Continued.

Item.	Income.	Expenses.	Surplus.
Department of ecclesiastical affairs and public instruction.	*Marks.*	*Marks.*	*Marks.*
Ministry of ecclesiastical affairs and public instruction	540	213, 270	212, 730
Evangelical Lutheran consistory	305	121, 080	120, 775
Roman Catholic ecclesiastical authorities	240	25, 098	24, 858
University of Leipzig	409, 574	1, 731, 002	1, 321, 428
Polytechnical school at Dresden	18, 110	296, 706	278, 596
Evangelical churches	278, 304	2, 079, 177	1, 800, 873
Gymnasium, gymnasium where modern languages take the place of the classics schools based on the same principle	596, 369	1, 841, 653	1, 245, 284
Normal school for teachers	106, 827	1, 145, 273	1, 038, 446
Public schools	285, 000	2, 031, 148	1, 746, 148
Roman Catholic churches and institutions	.....	40, 901	40, 901
Other ecclesiastical purposes	.....	4, 050	4. 050
Deaf and dumb asylums	29, 964	245, 600	213, 636
Additional donations for church and school purposes	.....	32, 346	32, 346
Miscellaneous expenses	.....	39, 900	39, 900
Reserve funds of the ecclesiastical treasury	12, 600	12, 600	.....
	1, 787, 833	9, 860, 804	8, 122, 971
Department of foreign affairs.			
Ministry of foreign affairs	50	47, 220	47, 170
Embassies	.....	96, 400	96, 400
Total	50	143, 620	143, 570
Expenses for imperial purposes.			
Matricular expenses	.....	6, 820, 175	6, 820, 175
Elections for the Reichstag (parliament)	.....	1, 500	1, 500
Representation of Saxony in the federal council	.....	22, 750	22, 750
Total	.....	6, 844, 425	6, 844, 425
Pensions.			
Allowances to sick officers	.....	31, 964	31, 964
Pensions and subsidies	229, 080	3, 315, 772	3, 086, 692
Increase of pensions to disabled soldiers of the war of 1870–'71	.....	40, 403	40, 403
Total	229, 080	3, 388, 139	3, 159, 051
Investments and reserve funds.			
Investments	.....	1, 454, 453	1, 454, 453
Reserve funds	.....	1, 054, 062	1, 054, 062
Total	.....	2, 508, 515	2, 208, 515

RECAPITULATION.

General expenses	84, 650	34, 787, 584	34, 702, 934
General ministerial expenses	2, 195	179, 805	177, 610
Department of justice	6, 154, 500	9, 813, 175	3, 658, 675
Department of the interior	2, 170, 414	11, 551, 237	9, 380, 823
Department of finance	379, 990	6, 352, 750	5, 972, 760
Department of ecclesiastical affairs and public instruction	1, 737, 833	9, 860, 804	8, 122, 971
Department of foreign affairs	50	143, 620	143, 570
Expenses for imperial purposes	.....	6, 844, 425	3, 844, 425
Pensions	229, 080	3, 388, 139	3, 159, 059
Investments and reserve funds	.....	2, 508, 515	2, 508, 515
Total	10, 758, 712	85, 430, 054	74, 671, 342

Statement showing surplus and deficit.

	Income.	Expense.	Surplus and deficit.
Receipts from state property and taxes—showing surplus	130, 906, 522	56, 235, 180	74, 671, 342
Cost of government—showing deficit	10, 758, 712	85, 430, 054	74, 671, 342
Final exhibit	141, 665, 234	141, 665, 234	.....

In the municipality the indirect taxes are also of secondary importance.

Every town now covers its expenses chiefly by direct taxation. Only in South Germany is it that a considerable part is levied by an excise on beer and other articles of consumption. In Dresden a trace of this system remains in the taxes on brandy, meat, and flour.

In Chemnitz there is an excise on the transfer of real estate; and beer and dogs are also taxed. In addition to these, certain fees are collected for the privilege of giving concerts, keeping dancing halls, and for other amusements.

The main taxes, however, are those levied on the revenue arising (or which should arise) from real estate and on incomes.

A poll tax of 28.6 cents is also collected. No distinction is made in the taxation of different industries, the rate being the same for all. The same remark is true in regard to the different classes of population so far as the State is concerned; only those whose incomes are less than 300 marks being exempt. In other States, where the minimum is considerably higher, the number of exempts is correspondingly greater.

WHAT "INCOME" MEANS IN SAXONY.

The word "income," as it is used in regard to State taxation, comprehends any and every business gain resulting from an investment in any species of property or from personal exertion. The State, therefore, in levying its income taxes includes under that head the revenue arising from the ownership of land; while for municipal purposes, in Chemnitz, the income derived from property is taxed separately and at a different rate from that earned by labor.

A tax on the land itself does not exist in Chemnitz, though the state receives a trifling amount in this way.

Hence it is apparent that the state taxes the land twice, once on itself and a second time on the revenue which it produces.

GRADUATION OF TAX.

The state tax is 3 per cent. on all incomes exceeding 5,400 marks, and below that sum the rate gradually decreases. The municipal tax of Chemnitz is 3½ per cent. on incomes from property, and a rate ranging from 1 per cent. on incomes of less than 300 marks to 5 per cent. on those which reach or exceed 9,000 marks.

There are, of course, many difficulties to be overcome in collecting these income taxes; and the methods employed by the state and the municipality differ very materially.

The state requires a compulsory declaration to be made whenever the income exceeds 1,600 marks. In case of a fraudulent declaration the person is debarred from the right of appeal against the assessment, and is otherwise punished.

Such compulsory declarations are not required by the separate cities.

The assessment of state taxes is made in small districts—there are eight in Chemnitz—and in each of these districts every one is taxed by the same assessors.

The municipal taxes of Chemnitz are levied in a different way. There is a general commission which apportions out the work to smaller commissions of assessors—one for hosiery manufacturers, one for curtain weavers, and so on; so that all in the same business or profession are taxed by the same assessors.

The state has transferred the levying of its direct taxes to the various towns, and allows them for the expense of collection 3 per cent. of the amount collected.

In Chemnitz this 3 per cent. does not cover the cost of collection, though the cost of collecting the municipal taxes is not proportionally so great.

There are two reasons for this: (1) The amount collected is larger; (2) the municipal taxes are levied by citizens who are not paid for their services.

Estimate of the municipal finances for the year 1887.

Item.	Expenses.	Receipts.	Surplus.	Deficit.
	Marks.	*Marks.*	*Marks.*	*Marks.*
City landed property	3,092.14	215,787.35	212,695.21	.....
Landed property in Stelzendorf and Einsiedel	1,660.00	3,413.38	1,753.38	.....
Castle property and lake	3,182.80	9,926.32	6,743.52	.....
Quarries in Hartmannsdorf	57,759.00	59,047.70	1,288.70	.....
Forest	13,006.44	31,186.20	18,179.76	.....
City theater	15,615.38	450.00	.....	15,165.38
City administration	316,746.00	104,540.17	.....	212,205.83
Police department	261,081.50	63,200.00	.....	197,881.50
Civil marriage court	13,159.00	1,545.00	.....	11,614.00
Markets	8,774.00	28,430.00	19,656.00	.....
Examination of weights and measures	4,285.00	6,250.00	1,965.00	.....
Inspection of buildings	403,116.00	5,463.11	.....	397,652.89
Promenades	40,969.50	17,050.00	.....	23,919.50
City stables	14,339.00	19,500.00	5,261.00	.....
Lighting streets	177,184.50	4,824.10	.....	172,360.40
Fire department	31,847.20	11,600.00	.....	20,247.20
Almshouse	200,890.87	134,336.12	.....	66,554.75
Jail and house of correction	44,405.84	19,069.24	.....	25,336.60
House of compulsory labor	15,664.00	7,000.00	.....	8,664.00
Asylum for children	42,938.14	13,078.75	.....	29,859.39
Home for widows and orphans	26,651.03	8,241.21	.....	18,409.82
Several subsidies	30,685.00	.....	.....	30,685.00
Orphanage	46,517.25	13,705.00	.....	32,812.25
City hospital	155,254.10	131,045.00	.....	24,209.10
Policlinic	5,825.00	.....	.....	5,825.00
School of sciences and languages	92,226.32	61,632.44	.....	30,593.88
City library	3,920.00	.....	.....	3,920.00
Museum of natural sciences	4,500.00	.....	.....	4,500.00
City bank	30,262.50	93,000.00	62,737.50	.....
City savings-bank	610,752.00	755,685.00	144,933.00	.....
City pawn-shop	29,722.50	32,500.00	2,777.50	.....
Interest	664,083.79	415,792.61	.....	248,291.18
Sinking of city debt	267,396.46	244,193.32	.....	23,203.14
Reserve fund	6,912.00	6,912.00	.....	.....
Eating-house for the poor	49,564.50	49,564.50	.....	.....
Water-works	234,950.00	234,950.00	.....	.....
Public baths	700.00	.....	.....	700.00
Wells and reservoirs	23,315.00	189.50	.....	23,125.50
Cemetery	38,946.97	50,750.00	17,803.03	.....
Miscellaneous	77,040.00	340,037.78	262,997.78	.....
Municipal taxes	.....	874,944.93	.....	.....
Total	4,068,840.73	4,068,840.73	752,791.38	1,627,736.31

The incomes of state officials, army officers, and the like are in Chemnitz taxed on only four-fifths of their amount for municipal purposes, though the state makes no such allowance in levying its taxes. Incomes from other sources than salary are taxed on the full amount.

NET AND NOT GROSS PROFITS REGARDED AS "INCOME."

The amount of income from and industrial business or trade which is taxed is the profit of the tradesman after deducting the necessary business expenses and the salaries actually paid.

The profit of a partnership business is divided, for the purpose of taxation, into as many parts as there are partners, and each partner is taxed on his share. If the partnership is not one of equal shares, this

fact is not taken into consideration; and the matter is left to the partners themselves for settlement.

If one of the partners is not a resident of Chemnitz, the resident partner must act as his representative for the payment of his taxes.

Corporations, mining companies, farming companies, and the like are taxed according to the surplus, which is either divided among the shareholders as a dividend or used as a reserve fund or for sinking their debts.

The authorities have the right to alter a balance-sheet in accordance with correct business principles.

The taxation is done according to the business result for the year, if any report has been made at or before the time of taxation; otherwise the assessment is made on the balance-sheet for the preceding year.

The supervision of taxation is intrusted to a committee of eight members, which is elected annually. The city council chooses from its number four members, and four are elected by the citizens of the town.

DUTIES OF TAX SUPERVISORS.

The first business of this committee is to prepare a tax list in which the names of all persons subject to taxation are recorded.

This list must be completed at the end of September, so that the assessors may begin their work in October.

The department for the inspection of buildings keeps a register of all buildings erected during the year which in any way affect the value of the property on which they are situated.

This list contains the fire-number showing the age of the house, the name of the proprietor, and a general description of the structure.

The tax-office in connection with the town treasury has a similar register of all changes of boundaries and ownership.

These two registers are delivered to the taxation committee annually at the end of September.

Every person has the right to inform the city authorities at what amount he estimates the income from his property for the year, and also his other income, but this must be done by letter before the end of September. Due notice of this is annually given by the town council in the principal newspaper.

The taxation committee examines all declarations made in this way.

Principals are required to inform the committee before the end of September what salaries their clerks have been receiving from the beginning of the year. If these salaries have varied, the average amount must be stated.

Wrong statements, the neglecting or unpunctual delivery of this declaration are each punished by a fine of 100 marks.

SUBCOMMITTEES AND THEIR DUTIES.

The general taxation committee appoints a number of subcommittees on taxation from among the citizens of the town.

These subcommittees consist of twelve members, eight of whom compose a quorum. A member of the town council presides over each of these subcommittees.

Any one refusing to act on such a committee without having a sufficient reason is punishable by a fine of from 15 to 300 marks, which is paid into the poor fund.

The members of the taxation committee are bound by oath to a conscientious performance of their duties, and to secrecy in regard to all business transactions.

If a member of the committee or any of his relatives is being assessed, he is obliged to temporarily absent himself.

If a member neglects to attend a meeting without a sufficient excuse, he is fined 1 mark, which amount goes into the city poor fund.

In cases of difference of opinion the question is put to vote, and in case of a tie the president has the casting vote.

The council members of the committee have, moreover, the right to refer any question on which they decidedly differ from the majority to the town council.

The committee has also the power to put into a different class those who have a large family of children, or who support poor relatives, or who have incurable sickness, or those who have met with some great misfortune.

After the assessment is completed the town council arranges the taxes for the different classes, and the terms of payment, and prepares an estimate of the city revenues and expenses.

As has been said before, the rate of taxation increases with the amount of income up to 9,000 marks, beyond which point it remains unchanged.

The taxation table is estimated not on a basis of a hundred, but of a thousand. It is prepared in vertical parallel columns, the first showing the number of marks per thousand, and the tenth the number per hundred. In all there are twenty of these columns.

One year the tax per thousand marks will be taken, say, from the eighth column; the next year, if the wants of the city be greater, it may be taken from the tenth or the twelfth column.

BASIS OF THE TAX TABLE.

In other words, the taxation table is prepared on the basis of thousandths to give it a greater capacity for meeting the exact wants of the state.

The town council sends to each tax-payer a bill, which contains the fire-number of the house, thus showing its age; the street number, the name and profession, the amount of taxes, the time for payment, and the printed signature of the town council.

A period of two weeks is allowed for corrections, and if claims are not made within that period they receive no consideration.

GEO. H. MURPHY,
Vice-Consul.

CHEMNITZ, *May* 26, 1887.

TAXATION IN DUSSELDORF.

REPORT OF CONSUL PARTELLO.

The state taxes will have to be considered first, as they form the basis on which municipal and local rates are levied, with very few exceptions, and these of very little importance. The state taxes are of three kinds, viz, the income tax, the trade tax, and the ground-rent or real-estate tax.

All revenues derived from landed and real property, all profits from trades, professions, and handicrafts, all salaries of Government and pri-

vate servants, down to the wages of domestic servants and common laborers, are subject to the first named.

[Here were inserted the same tables and in the same order as those printed in Consul-General Mueller's report.]

The total to be raised by the first twelve classes is fixed by law, so that should the estimated yield exceed or fall short of it the minister of finance in receipt of the assessment papers orders an abatement or an additional charge, as the case may demand.

METHOD OF ASSESSMENT.

Assessments are made by a board consisting of the mayor or chief magistrate of the township or rural commune and of members whose numbers are fixed in accordance with the population of the district, and who are elected from amongst the rate-payers, care being had that such members shall fairly represent the various trades and occupations.

A similar committee, of which one-third are chosen from the governing body of the rural or municipal district and two-thirds from amongst the rate-payers, determine the assessments on incomes above 3,000 marks per annum.

EQUITY IN THE ASSESSMENTS.

The law moreover directs the income-tax commissioners, both of the "Klassen" and the "Klassificirte Einkommensteuer," in fact all boards of assessment that may be mentioned in the course of this paper, to exercise a wise discretion in determining the amounts, and not to be guided solely by what they conjecture the income to be, but by what they consider just, taking into account in the lower ranges, for instance, the number of children in the family; the gratuitous support, if such there be, of aged and infirm relatives; the nature of the trade or occupation, or any other circumstances that may appear to warrant a reduction. Although the commissioners are to make careful inquiries as to the financial position and the earnings of the rate-payers, all inquisitorial proceedings are prohibited, except in cases of appeals against their assessments, when the appellant can be called upon to produce evidence of his having been unfairly rated.

The trade tax is a kind of trade-licensing fee, paid annually by all persons engaged in commerce, industry, and trade (including the brewing and carrying trades, flour-mills, all retail business and handicrafts), and by such as keep hotels and houses of public entertainment; also by hackney-coach proprietors, owners of boats plying for hire, etc.

A mean rate, according to the wealth and position of the urban or rural district, has been fixed for each of these classes, and as the yield has to be equal to the product of such mean rate multiplied by the number of contributors, it follows that assessments below this rate have to be balanced by others above it; the range, however, is limited by law. For instance, the mean rate for AI, in a certain town, being 72 marks per annum, assessments under that head may not be below RM 36 nor above 144 marks.

Boards of commissioners with similar powers to those held by the income-tax committees are appointed in a similar way to attend to the equitable levying of those rates.

AMUSEMENT AND PEDDLERS' TAX.

Traveling companies of actors, equestrians, and others, strolling musicians, peddlers, etc., pay from 6 to 144 marks per annum for a

license, the amount being fixed by the authorities not by the commissioners.

Ground-rent is levied (*a*) on land, (*b*) on buildings and tenements for dwelling and industrial puposes; gardens attached to houses are ratable as land if they exceed in size 1 morgen, equal to 25 ares 53 meters, or about three-fifths of an acre.

Numerous exemptions under both heads are made in favor of charitable institutions, church and crown property, etc.

MODE OF LEVYING THE TAX.

The amount to be raised under Schedule A is fixed by law for each province; the quota to be contributed by the several divisions of each province is determined by the provincial parliament, then distributed pro rata amongst the subdivisions, the sections of subdivisions, etc., until the final assessments of individuals are made by boards constituted like the boards previously mentioned.

POWERS OF THE BOARD OF APPEAL.

These boards are empowered to grant, subject to the approval of the provincial assembly and the ratification of the same by the Government in Berlin, a remission of taxation and even substantial assistance in cases of fire, floods, hail-storms, and other visitations of Providence; such disbursements are met in the old provinces by additional rates, imposed as occasion may require, whilst in Rhineland and Westphalia special funds are set apart for that purpose every year.

There is no limitation to the amount to be derived from the house tax or inhabited house duty prescribed by legislation; the rates are 4 per cent. on the net annual value of dwelling-houses, and 2 per cent. on that of industrial establishments.

The mode of assessment differs from that under Schedule A in so far that the commissioners have to fix the ratable value of the tenements instead of apportioning the quota to be contributed by each owner. They, however, have the same power of granting remission of taxes and relief to rate-payers as enjoined by their colleagues, the funds for this purpose being derived from similar sources.

It should be mentioned that the owner of the property under *a* and *b* pays the rates and not the tenant, if there be one.

MUNICIPAL AND LOCAL RATES.

The cases of these are, as already indicated, the assessments for state taxes. The expenditure for the ensuing year having been fixed by the governing body of the urban or rural district, rates are levied in accordance with the requirements. At the present moment the inhabitants of Dusseldorf are paying to the corporation tax or ground rent as follows:

On taxes paid to the State:

	Per cent.
Income	215
Trade	90
Real estate	90

THE EVILS OF INDISCRIMINATE TAXATION.

The incidence of taxation is admitted to be anything but just, as the expenditure stands very frequently in inverse ratio to the rateable

capacity of a district. This is more particularly felt in agricultural communities, which are rarely very rich, and still have heavy budgets. I will mention but one item, the maintenance of great lengths of road, for instance. It is not surprising, therefore, that local rates vary greatly both in town and country, and that whilst being as low as 50 per cent. of the state taxes, in some parts they are 500 and 600 per cent. of the same in others.

COMPULSORY CHURCH TAX.

Octroi duties on articles of food and others do not to my knowledge exist anywhere in Prussia, but there are some minor rates which I have omitted as unimportant, for instance the church rate; everybody being obliged to belong or at any rate to contribute to some recognized religious community. Gas and water are paid for separately, even where the works belong to the corporation.

In conclusion it may be mentioned that taxes are imposed on contracts of every kind in writing made between individuals what is called here Stempelsteuer; also taxes on mortgages, loans, trusts, inheritances, etc.

LUXURY MUST PAY.

Articles of luxury, such as cabs, carriages, dogs, horses, even balconies on the fronts of buildings, are subjects of taxation.

The last-named taxes are, however, general in Germany, and not confined specially to Rhine-Prussia.

D. J. PARTELLO,
Consul.

DUSSELDORF, *October* 15, 1887.

TAXATION IN ELBERFELD.

REPORT OF CONSUL FÖRSTER.

REVENUE AND EXPENSES OF THE CITY.

There have been levied for the city of Elberfeld in the fiscal year ending March 31, 1887—

I.—STATE TAXES.

	Marks.		Marks.
In 1884–'85:		In 1885–'86:	
Class taxes	*228,987	Class taxes	237,639
Income tax	269,820	Income tax	309,546
Ground tax	5,753	Ground tax	5,709
Dwelling tax	267,783	Dwelling tax	272,630
License tax	164,538	License tax	171,735
Total	936,828	Total	997,259

all of which was collected except three monthly installments of the two lowest degrees of the class tax.

For church purposes there were levied for 1884–'85 142,168 marks, and for 1885–'86, 163.593 marks.

*$1 equals 4 marks 25 pfennigs.

II.—MUNICIPAL (COMMUNAL) TAXES.

For the fiscal year commencing on April 1, 1884, and ending March 31, 1885, there were levied—

	Marks.
For the support of the poor	245,747
All other municipal purposes	1,190,384
For provincial purposes	118,867
Total	*1,555,000

of which amount the small balance of 12,722 marks remained uncollected.

During the fiscal year from April 1, 1885 to March 31, 1886, there were levied for all purposes 1,659,000 marks, showing an increase over the previous year of 104,000 marks taken from the income tax.

During the year from April 1, 1886, to March 31, 1887, there were levied—

	Marks.
For support of the poor	239,549
All other purposes	1,320,823
Provincial purposes	119,627
Total	1,680,000

or 350 per cent. on every 100 marks of the state income tax.

REGULATIONS IN THE ASSESSMENT OF TAXES.

BOARD OF ASSESSMENT.

The assessment of taxes is made by a board of assessment, consisting of eight members, (four of whom must be members of the city council, and four are citizens, paying respectively class tax or income tax), presided over by the mayor of the city (Oberbürgermeister), who is allowed to vote only when the vote is a tie. Within four weeks after the assessments are made and the assessment roll has been laid out for inspection, each tax-payer receives his tax bill, and within the first eight days of each month he has to pay, invariably in advance, his monthly installment of city taxes. He may, however pay his quota for a longer term.

RELIEF BOARD.

Within three months after the assessment roll has been laid out complaints have to be made to the mayor of the city, and claims for a reduction of taxes will only be granted on proof being given that one's income, as assessed by the board, has been decreased at least one-fourth during the current year. All complaints or reclamations arising out of too high an assessment, etc., will be registered, and after having been submitted to the board of assessment decided upon by the mayor, against whose decision the tax-payer must within six weeks send his appeal to the higher authority, which in such cases is the imperial "Regierung." It is of very rare occurrence that claims of petitioners to remit taxes are heeded, and unless the utter impossibility to pay is satisfactorily proven the relief board will not listen.

A dog-tax of 9 marks annually for each dog kept by citizens for pleasure's sake is also levied in the city of Elberfield.

*Leaving pfennigs out.

CITY REVENUE AND EXPENSE ACCOUNT FOR THE YEAR ENDING APRIL 1, 1887.

To show to better advantage the several sources of income and the items of expenditure of the city government the following recapitulation may find a place in this report, viz:

RECAPITULATION.

Sources of revenue for the city have been—	Marks.
From permanent rents and leases of city property and city buildings	46,889
From temporary rents, leases, and income from city institutions	762,965
From interest on capital and city bonds	7,598
Municipal taxes (direct income tax)	1,680,000
Dog tax	14,600
Revenue for support of the poor, viz:	
From the "Daily Anzeiger" (city paper)	82,600
Interest on the revenue fund	40,000
Receipts from shows, permits, etc	8,800
Interest from the poor fund	17,124
Administration of the poor-house, orphans' home, hospital, donations, etc	274,460
Miscellaneous receipts	189,196
Total	2,976,000
Expense account:	
Administration of city government	129,786
Police of the city	195,834
Tax on city property (state tax)	4,225
Interest and sinking fund	681,851
Repairs of public buildings	177,826
Support of the poor	514,008
City schools	785,684
Illumination of city	114,200
Street cleaning	49,250
Fire departments	18,000
Pensions to city officers	9,880
Miscellaneous	259,451
Total	2,976,000

CHARLES FÖRSTER,
Consul.

UNITED STATES CONSULATE,
Elberfeld, June 19, 1887.

TAXATION IN HAMBURG.

REPORT OF CONSUL LANG.

The systems of taxation in Hamburg are peculiar as compared with those of the other commonwealths of the German Empire on account of the relations which subsist between Hamburg as a free port and the Imperial Government.

In almost all the German States the taxes are divided into three classes, to wit: Imperial, state, and local. In Hamburg state and local taxes are jointly taken from the people. No separate account is kept of the state and local taxes; the joint receipts form a general fund, and the state and municipal treasury is the same. The small towns, villages, and hamlets belonging to Hamburg, such as Bergedorf, Ritze-

büttel, Cuxhaven, etc., have separate local treasuries. The inhabitants of these communities pay their taxes to the state as do the inhabitants of Hamburg, but a part of these taxes are returned to their treasuries to defray expenses of local administration and representation. Hamburg occupies an exceptional position as regards imperial taxation on account of its being a free port.

The principal sources of revenue to the Imperial Government are import duties and the taxes upon articles of consumption.

Hamburg is not considered inland, because it is a free port; no direct taxes can be levied upon spirits, beer, sugar, salt, tobacco, etc.; but as it is a state of the German Empire and derives benefits and advantages from institutions maintained by the imperial revenues it was necessary to find a way in which the State of Hamburg might contribute her proper proportion to the imperial treasury. This is effected by what is termed the "Aversum."

THE AVERSUM AND THE "PER CAPITA."

The annually published statistics show how much of these taxes each individual of the population of the German Empire residing within the "Zollverein" pays. This amount, multiplied by the number of inhabitants residing within the limits of the free port, constitutes the "Aversum" which Hamburg annually pays into the imperial treasury.

In addition to this "Aversum" there is collected from Hamburg a per capita tax of 5 marks, which is levied in consideration of the fact that Hamburg's population, being a well-to-do people, consume more of the taxed articles than the population residing within the "Zollverein."

This greater consumption being a well-established statistical fact the per capita tax of 5 marks is also paid into the imperial treasury. The "Aversum" and the per capita tax in the year 1884 amounted to 4,000,000 marks. In addition there is collected from the population of Hamburg a matricular contribution ("Matricularbeitrag") of 1,000,000 marks. Hence these contributions from the citizens of Hamburg to the support of the imperial treasury are 5,000,000 marks per annum. A further not very important amount is collected in the way of stamps affixed to bills of exchange, receipts, lottery tickets, cards, and other instruments of writing subject under the stamp act. The new exchange duty is so recently established that it would be difficult to state the amount which will be derived from it, but it may be safely estimated at not less than 1,000,000 marks, as the Hamburg Exchange is one of the most important on the continent.

TREASURY FIGURES.

The revenues and expenditures of the Hamburg Treasury are published each year in the budget. The budget consists of the ordinarium and the extra-ordinarium, and the sources of revenues and expenditures are classed accordingly. Considering firstly the ordinarium, we find from the recently published accounts that for the year 1885 the revenues amounted to 38,344,838.01 marks.

The ordinarium is divided into four heads—

(1) State property and its royalties. The income out of these amounted to 10,445,394.79 marks, and is derived from the different buildings, territories, government farms, and forests. The revenues of the royalties are from the slaughter-houses, water works, gas works,

railroads, tramways, wharves, lotttery, pawn-shops, mint, and the petroleum and wood harbors.

(2) The revenue obtained from these sources amounts to 22,441,952.85 marks.

Further reference will be made to this part of the ordinarium, as it constitutes the most important source of the Government's income.

(3) The taxes arising from fees paid by those who send to the public schools (Volkschulen), and who are able to pay for the tuition of their children, from those who are able to support themselves in hospitals and the charitable institutions, and from the receipts of the penitentiaries. Those who are not able to pay for their maintenance in the hospitals and charitable institutions are admitted free, as also those who are not able to pay tuition in the public schools are permitted to send their children to school at public expense. These taxes amount to 5,290,150.30 marks, but the revenue from this source is irregular, and is often less than the expenditures for maintaining the institutions which it is intended to support.

(4) Fines, penalties, and such other occasional revenues as may arise, and which amounted to 167,385.07 marks.

The expenditures for the ordinarium in the year 1885 amounted to 36,183,873.45 marks.

The disbursements were: (*a*) Salaries of the senators, syndics, and secretaries. (*b*) The interest upon the public debt (173,000,000 marks). (*c*) Keeping of the public buildings, roads, canals, etc., in order. (*d*) Deepening the channel of the river Elbe. (*e*) Sustaining the public schools, courts of justice, the police, charitable institutions, hospitals, salaries of officials, and the annual contribution of 5,000,000 marks to the imperial treasury.

There is an excess of collection over expenditures amounting to 2,160,964.45 marks. This excess is carried to an account entitled "Surplus of former years." From this account the Government defrays a part of the expenditures of the "Extraordinarium," such as the erection of new public buildings.

The cost of constructing the new state-house (Rathhaus) and the new hospital are, however, not paid from this fund, but are covered by a loan made for that purpose. It is held that as posterity will have the use and benefit of the buildings they should pay for them.

The revenues of the "Extraordinarium" are received from the sale of the public grounds. According to the laws of the state the receipts from this source are appropriated to the extinguishing of the public debt and consequently do not go into the general fund.

The receipts from sewerage (Sielabgabe) is a separate fund and appropriated only to the maintenance of the system of sewerage.

Another separate fund of the "Extraordinarium" is the account of Zollanschluss of Hamburg to the Zollverein. The city of Hamburg has made for this purpose a loan. Only after all the works connected with the Zollanschluss are finished, and which are now under construction, will the interest of this loan be entered in the "Ordinarium." The expenditures for the Zollanschluss as at present estimated will be 112,637,300 marks, of which sum the Imperial Government will pay 40,000,000 marks.

TAX RECEIPTS.

The taxes, imports, and duties collected from the inhabitants of Hamburg are as follows:

(1) *Ground taxes.*—The amount of ground tax paid in the year 1885 was 7,528,482.64 marks. The assessment is one half of 1 per cent. on the

estimated value of the property. On small buildings and lodgings the assessment is diminished by one-quarter. The estimated value of houses let for lodgings is ascertained by converting the rent into an interest upon the capital. The valuation is obtained at a rate of $4\frac{4}{5}$ per cent. for smaller dwellings and at $6\frac{2}{5}$ per cent. for larger ones. The taxes on a house paying 1,000 marks rent would be $11\frac{2}{3}$ per cent. of the rent. The tax of one-half of 1 per cent on the valuation of property is considered a heavy incumbrance on property in Hamburg. Hence higher prices are demanded and the cost of living is made dearer. Should there be a diminution in the rate of ground taxes it is doubtful whether any perceptible change would be made in prices.

(2) *Income tax.*—The income tax is levied upon each individual. Every person is required to make a written declaration of what his income amounts to. In case of the failure to render this declaration by any person then an income is fixed by a tax assessor, who is elected by the "Burgerschaft" (legislature) and who serves without compensation, the position being esteemed as a high civic honor. On incomes above 10,000 marks, and all sums above that amount, the tax is $3\frac{1}{2}$ per cent. On incomes of 5,000 marks the taxes are 91 marks; 2,000 marks 16 marks; 1,500 marks, 11 marks, and on 1,000 marks 6 marks.

Incomes less than 500 marks are not taxed.

The head of a large family has a right to demand a reduction of his taxes, which is generally liberally granted. The inhabitants of the territory of Hamburg, within the Zollverein, have one-fifth less of income tax to pay than those lying out of the Zollverein.

(3) The stamp offices for Hamburg show a receipt from that source of 1,268,000.02 marks. The stamp taxes are slight, and are not considered burthensome.

THE VICTUAL TAX.

(4) A very important item in the taxation of Hamburg is the excise tax on victuals. In the year 1885 the sum realized from this source amounted to 2,259,177.03 marks. This tax is a duty demanded at the gates of the city upon corn, flour, barley, bread, breadstuffs, meats, cattle of every description, game, beer, wine, liquors, in short upon every article of food. A part of the excise is levied directly upon the article, but the greater part is levied as brewery, malt, and public-house tax.

The country and the suburbs of St. Paul's are exempt from this tax. It is also not burthensome, as small quantities (less than 30 pounds) are not taxed. Only wholesale imports of meats and other consumables into the city are taxed. Notwithstanding that the prices of eatables are higher in Hamburg than in the suburbs, the difference is so slight that it would hardly pay, for example, to purchase small quantities in St. Paul's.

(5) The declaration tax is a remnant of the old Hamburg custom duties. It amounted in the year 1885 to 500,406.55 marks. Formerly there was imposed a custom tax on all articles imported into Hamburg of one-half of 1 per cent. About fifteen years ago this was reduced to one-fourth of 1 per cent. So unimportant is this tax that it is seldom levied upon articles of bulk, a great part of which are not able to pay even this small impost and are exempted, such as bricks, coals, cement, and all building materials. This tax is maintained more for statistical purposes.

(6) The tonnage dues paid by vessels during 1885 amounted to 917,542.75 marks, and from the vast amount of tonnage arriving at the port this sum would indicate that the tax is also slight.

(7) From tolls on turnpikes and bridges, 9,770.97 marks.

(8) The inheritance tax amounted to 1,008,908.41 marks in the year 1885.

INHERITANCE TAX AND ITS EXEMPTIONS.

According to the act of December 29, 1851, the tax on inheritances is as follows: Two and one-half per cent. for relatives of the second and third degree, adopted children 5 per cent., relatives of fourth degree 7½ per cent., relatives of more distant degree or non-relatives 10 per cent.

The following inheritances are exempt from such taxation: From parents to children, from husband to wife, to charitable institutions, estates of less than 4,500 marks, legacies of 360 marks and less as long as one person is not left more than 360 marks, also amount left to executors as long as it does not exceed the sum of 4,500 marks.

(9) The taxes paid upon the sale of landed property, buildings, etc., which amounted to 1,139,963.78 marks in 1885. This is a tax paid by the vendor and vendee of landed property and houses. The tax is 2 per cent. on the value of the property transferred, 1 per cent. of which is paid by the vendor and 1 per cent. by the vendee.

(10) Among the less important taxes are licenses for theaters, dancing-halls, and other public places of amusement, which in 1885 amounted to 59,399.83 marks.

The tax upon dogs for the same year was 146,825 marks, at 10 marks per capita.

There is also a brand tax, which yielded a revenue of 413,116.07 marks. This is a tax for Government stamp upon all measures, whether dry or liquid.

A COMMUNITY THAT ENDURES AN INCREASE IN TAXES WITHOUT A MURMUR.

The population of Hamburg bears this burden of taxes without difficulty or complaint. As evidence, some three years ago the income tax was increased from 3 to 3½ per cent. The bill passed without much opposition, and excited no public interest.

The working people pay apparently but a small direct tax, and as wages are higher in Hamburg than in other provinces they are able to pay their contributions to the Government without great inconvenience.

HIGH RENTALS THE RESULT OF GROUND TAX.

The burden of taxation in Hamburg is to be found in the ground tax. On account of this tax house rent is high, in fact higher by 10 per cent. than in any other city in Germany. The consequence is that every artisan and tradesman demands a higher price for his articles and produce.

Although Hamburg is a free port and exempt from direct taxes to the imperial treasury, still the standard of expenditures is higher and the cost of living is dearer than in Berlin, and far exceeds the prices paid for the same conditions in south German cities. Whether the Zollauschluss will change this condition is a question which the future alone can decide.

Under the methods of taxation the wealthy pay the bulk of direct taxes, but here as elsewhere this burden is shifted through trade and interchange until it eventually reaches the shoulders of the poor.

The burden of taxation borne by each individual is as follows:

	Marks.
Excise	4.25
Direct government	31.28
Indirect government	8.59
	44.12

Comparing the receipts and expenditures per capita of the city of Hamburg with those of other German cities we find the following results:

Cities.	Receipts.		Expenditures per capita.
	Income tax per capita.	Government and local.	
	Marks.	*Marks.*	*Marks.*
Hamburg	35.40	35.53	64.39
Berlin	50.68	37.36	50.71
Breslau	38.67	28.60	40.85
Cologne	50.22	39.61	50.22
Frankfort-on-the-Main	60.14	54.31	106.34
Altona	28.28	23.62	40.81

The following table shows the expenditure per capita for educational purposes in the same towns:

Cities.	General education.	Public schools.
	Marks.	*Marks.*
Hamburg	8.35	5.77
Berlin	8.66	5.81
Breslau	9.12	5.46
Cologne	8.56	5.56
Frankfort-on-the-Main	20.63	5.74
Altona	6.10	3.33

The towns belonging to the Kingdom of Prussia pay two-thirds of these expenditures, and the Imperial Government pays the other one-third. In Hamburg, the state and city treasury being identical, the whole amount is paid by the same.

A CHEAP PROCESS OF COLLECTING.

The expense of collecting taxes in Hamburg is light. For the collection of the ground and income taxes few officers are required, as the citizens do the greater part of the work themselves. Printed blanks are sent to each tax-payer, with a notice that taxes are due and must be paid at a particular time at the respective offices. They are required to appear in person at the offices and render their assessments and pay the taxes. Non-compliance with the order is followed by a seizure of a sufficient amount of the property to cover fines, taxes, and cost of collection. It is very difficult to give a correct statement of the cost of collecting taxes in so small a community as Hamburg, as the different methods are not kept separate, and the officers employed in collecting taxes are also required to perform other official duties; but it may be safely admitted that the greater part of the expense is the collection of indirect taxes. The excise taxes are also collected at a very small cost,

and will very likely be abolished on the entrance of Hamburg into the "Zollverein."

How far the city will be benefited by entering the customs-union is a question which the future must answer.

Party spirit and party opinions are so much divided on that point that it would be quite venturesome to hazard an opinion.

The principal argument used in defense of the act is that the "Aversum" now paid by Hamburg will be abolished, but it will be imposed upon each individual in the form of an indirect tax instead of a direct tax, as now paid by the government of Hamburg.

As the indirect tax will be levied principally upon articles of food and staple commodities which are used by the poor more largely than by the wealthy, it is evident that the greater part of the sum now covered by the "Aversum" will fall upon the poor.

Hamburg's state-household account for the year ending December 31, 1885.

RECEIPTS.

Income.	Income, 1885-'86.	Estimate of arrears.	Total account including estimate of arrears.	Budget.	Surplus of income.	Manco of income.
Government property, domains and regalia.	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*
Ground-rents and rents	298,324.83	74.00	298,398.83	294,700	3,698.83	.....
Rents of buildings and yards	822,297.14	3,358.74	825,655.88	769,700	55,955.88	.....
Rents for farms	116,585.03	3,838.55	120,423.58	129,700	.....	9,276.42
Forest, hunting, etc	27,502.66	.....	27,502.66	26,600	902.66	.....
Slaughter-house	54,992.53	.....	54,992.53	57,600	.....	2,607.47
Cattle market and cattle yards	122,241.18	.....	122,241.18	146,600	.....	24,358.82
Locks and canals	45,394.35	.....	45,394.35	43,000	2,394.35	.....
Petroleum-harbor	49,811.66	.....	49,811.66	51,000	.....	1,788.34
Water-works	1,723,368.43	892.94	1,724,261.37	1,721,000	3,261.37	.....
Gas-works	3,227,582.29	52.57	3,227,634.86	3,218,000	8,734.86	.....
Zollverein store-houses	59,772.00	.....	59,722.00	54,700	5,072.00	.....
Lübeck, Hamburg and Buchen R. R.	37,750.00	.....	37,750.00	32,625	1,125.00	.....
Railroads	96,434.47	.....	96,434.47	95,800	634.47	.....
Tramways	279,595.96	.....	279,595.96	242,400	37,195.96	.....
Wharfs	1,323,854.80	.....	1,323,854.80	1,321,300	2,554.80	.....
City theater	6,000.00	.....	6,000.00	6,000	.....	.....
Lombard (pawn-shops)	109,044.02	.....	109,044.02	110,000	.....	955.98
Lottery	1,870,000.00	.....	1,870,000.00	1,870,000	.....	.....
Mint	35,744.14	.....	35,744.14	34,000	1,744.14	.....
Recognitions	90,605.51	31.80	90,637.31	84,000	6,037.31	.....
Wood-harbor rent	13,098.00	.....	13,098.00	11,400	1,698.00	.....
State's deposit account	31,102.19	.....	31,102.19	35,300	.....	4,197.81
			10,445,349.79	10,357,525		
Duties and taxes.						
Ground taxes	7,528,800.14	42.50	7,528,842.64	7,400,000	128,842.64	.....
Income taxes	7,158,148.73	31,851.27	7,190,000.00	7,200,000	.....	10,000.00
Stamp duty	1,268,000.02	.....	1,268,000.02	1,207,000	61,000.02	.....
Duty on victuals	2,259,177.03	.....	2,259,177.03	2,170,000	89,177.03	.....
Declaration duty	500,406.55	.....	500,406.55	541,000	.....	40,593.45
Tonnage dues	917,542.75	.....	917,542.75	874,000	43,542.75	.....
Turnpikes, and duty on trees	9,770.77	.....	9,770.77	10,700	.....	929.23
Heritage duty	1,008,908.41	.....	1,008,908.41	700,800	308,108.41	.....
Real estate duty	1,139,963.78	.....	1,139,963.78	1,200,000	.....	60,036.22
Duty on public amusements	59,399.83	.....	59,399.83	59,900	.....	500.17
Dog tax	146,825.00	.....	146,825.00	120,000	26,825.00	.....
Fire insurance	421,895.60	220.47	422,116.07	402,000	11,116.07	.....
			22,441,952.85	21,885,400		
Fees, and various other sources of income.						
Office of senate and archives	7,055.25	.....	7,055.25	6,000	1,055.25	.....
Finance bureau	109,944.44	.....	109,941.44	93,000	10,941.44	.....
Duty bureau	4,424.00	.....	4,424.00	1,800	2,624.00	.....

Hamburg's state-household account for the year ending December 31, 1885—Continued.

RECEIPTS—Continued.

Income.	Income, 1885–'86.	Estimate of arrears.	Total account including estimate of arrears.	Budget.	Surplus of income.	Manco of income.
Fees, and various other sources of income—continued.	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*
Commerce and shipping bureau.	391,426.89	.....	391,426.89	422,100	.....	30,673.11
Board of trade	210.00	.....	210.00	150	60.00	.....
Building board	256,080.74	4,249.66	260,330.60	265,400	.....	5,069.40
Military board	208.00	.....	208.00	200	8.00	.....
Board of public schools	902,935.77	.....	902,935.77	872,900	30,035.77	.....
Courts of law	756,566.59	.....	756,566,59	843,500	.....	77,933.41
Mortgage bureau	183,051.90	.....	183,051.90	152,100	30,951.90	.....
Heritage bureau	38,123.08	.....	38,123.08	41,900	.....	3,776.92
Police	93,980.93	.....	93,980.93	91,500	2,480,93	.....
Building and constructing bureau	41,046.23	216.25	41,262.48	33,000	8,262.48	.....
Statistical bureau	7,744.40	.....	7,744.40	6,900	844.40	.....
Emigration bureau	21,274.50	.....	21,274.50	30,000	.....	8,725.50
Prisons	669,972.47	.....	669,972.47	701,960	.....	31,987.53
Board of health	3,167.25	.....	3,167.25	1,650	1,517.25	.....
Gynæcological institution	6,232.30	.....	6,232.30	10,243	.....	4,010 70
Fire department	1,292.00	.....	1,292.00	1,292	.....	.....
Church yard	157,234.00	.....	406,324.00	112,000	45,234.55	.....
Public hospital	706,324.05	.....	600,.24.05	660,945	45,379.05	.....
Seaman's hospital	34,908.70	.....	34,908.70	33,224	1,684.70	.....
Lunatic asylum	581,906.15	.....	581,906.15	588,400	.....	6,493.85
Orphan asylum	123,245.10	.....	123,245.10	178,008	5,245.10	.....
Poor-house	15,600.15	.....	156,001.15	159,400	.....	3,398.85
Poor-house in St. Paul	10,542.64	.....	10,542.64	8,660	1,882.64	.....
Administration of—						
Geestlande	11,564.30	.....	11,564.30	13,600	.....	2,035.70
Marschlande	3,391.42	.....	3,391,42	3,900	.....	508.58
Ritzebüttel	1,888.30	.....	1,888.30	2,300	.....	411.70
Bergedorf	934.09	.....	934.09	1,100	.....	165.91
			5,290,150.30	5,277,104		
Extraordinary sources of income.						
Government share in fines	123,101.89	.....	123,101.89	90,000	33,101.89	.....
Accidental incomes	24,783.18	.....	24,783.18	24,000	783.18	.....
Shares drawn from the Zollverein's deposit	19,500.00	.....	19,500.00		19,500.00	.....
			167,385.07	114.000		
Total	38,300,009.06	44,828.95	38,344,838.01	37,634,049	1,041,214.08	330,425.07
			38,344,838.01			

EXPENDITURES.

Disbursements.	Expenditures, 1885–'86.	Estimate of arrears.	Total account including estimate of arrears.	Budget and supplementary grants.	Surplus expense.	Less expense.
Senate and bürgerschaft.	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*
Senate:						
Salary of senators, secretaries, and syndics	444,347.83	.....	447,347.83	465,834.78	.....	21,486.95
Protocol and chancery	96,380.02	.....	96,380.03	97,600.00	.....	1,219.98
Archive	15,525.87	.....	15,525.87	20,100.00	.....	4,584.13
Attendants	19,450.24	.....	19,450.24	19,613.00	.....	462.76
Burgerschaft:						
Expenses for same	30,739.01	.....	30,739.01	30,747.95	.....	898.00
Central commission for election	4,581.25	.....	4,581.25	5,000.00	.....	418.75
			611,024.22	639,205.72		

Hamburg's state-household account for the year ending December 31, 1885—Continued.

EXPENDITURES—Continued.

Disbursements.	Expenditures, 1885-'86.	Estimate of arrears.	Total account including estimate of arrears.	Budget and supplementary grants.	Surplus expense.	Less expense.
Administrations.						
I.—FINANCES.	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*
Government debt	6,181,481.43	.....	6,181,481.43	6,618,500.00	.....	437,018.57
Administration of domains	700,886.46	61.00	700,948.46	755,800.00	.....	54,851.94
Lombard	79,749.85	.....	70,749.85	77,200.00	.....	6,450.15
Lighting of streets, etc	652,182.02	.....	652,182.02	678,500.00	.....	26,317.98
General administration	208,692.65	.....	208,692.65	213,150.00	.....	4,457.01
Tax and duty bureau	268,687.44	.....	268,687.44	287,453.00	.....	18,765,56
Department for indirect taxes	565,293.81	.....	565,293.81	586,232.51	.....	20,938.70
			8,648,035.30	9,216,835.51		
II.—COMMERCE AND TRADE.						
Department for commission and shipping	611,672.43	.....	611,672.43	670,662.10	.....	58,989.67
Board of trade	50,000.00	.....	50,000.00	50,000.00	.....	.....
Mint	62,989.24	.....	62,989.24	64,500.00	.....	1,510.76
Chamber of commerce	12,433.85	.....	12,433.85	15,300.00	.....	28,661.15
Trade court	16,653.29	.....	16,653.20	18,500.00	.....	1,846.71
Board of marine	22,316.52	.....	22,316.52	28,500.00	.....	6,183.48
			776,065.33	847,462.10		
III.—BUILDING.						
Department for engineering	3,206,037.25	59,875.68	3,265,912.93	3,414,982.64	.....	149,069.71
Department for river and harbor construction	1,488,195.17	21,644.70	1,506,839.87	1,687,257.46	.....	180,417.59
Department of public water works	768,787.87	156.00	768,943.87	873,396.00	.....	104,452.13
			5,541,696.67	5,975,636.10		
IV.—MILITARY.						
Military commission	.....	.....	.....	500.00	.....	500.00
Commission of reinforcement	43,674.80	.....	43,674.80	43,780.00	.....	105.20
			43,674.80	44,280.00		
V.—PUBLIC INSTRUCTION—SCHOOL BOARD.						
School board	77,762.60	.....	77,762.60	84,170.00	.....	6,407.80
Section for scientific instruction	239,792.90	194.94	239,987.84	243,620.00	.....	3,632.16
State schools	589,575.44	2,850.00	592,425.44	605,753.33	.....	13,327.89
Public schools	2,385,131.72	.....	2,385,131.72	2,504,170.00	.....	119,038.28
Country schools	123,893.81	25,923.40	149,817.21	157,483.96	.....	7,666.75
Trade schools	125,393.37	.....	125,393.37	129,350.00	.....	3,956.63
Commission for museum	20,663.87	.....	20,663.87	21,510.00	.....	846.13
			3,591,181.65	3,746,057.29		
VI.—COURTS OF LAW.						
Administration of courts	152,036.53	.....	152,036.53	162,046.45	.....	10,009.92
Hanseatic court	111,910.38	.....	111,910.38	135,502.50	.....	22,592.12
County court	551,437.27	.....	551,437.27	558,595.09	.....	7,157.82
Official court of Hamburg	474,092.38	.....	474,092.38	472,384.01	1,708.37	.....
Official court of Ritzebüttel	20,337.65	.....	20,337.65	20,700.00	.....	362.25
Official court of Bergedorf	22,036.41	.....	22,036.41	23,200.00	.....	1,163.59
Attorney-general	131,992.37	.....	131,992.37	135,286.25	.....	3,293.88
Executors	148,071.08	.....	148,071.08	160,092.00	.....	12,020.92
Mortgage bureau	108,977.38	.....	108,977.38	110,907.33	.....	1,929.95
Inheritance bureau	41,403.58	.....	41,403.58	42,610.00	.....	1,206.42
			1,762,295.03	1,820,323.13		
VII.—POLICE, ETC.						
Police administration	2,379,076.12	.....	2,379,076.12	2,428,406.10	.....	49,329.98
Building administration	89,166.31	.....	89,166.31	92,797.20	.....	3,630.89
Statistical bureau	93,558.75	.....	93,558.75	94,098.75	.....	540.00
Emigration commission	16,380.67	.....	16,380.67	18,512.00	.....	2,131.33

Hamburg's state-household account for the year ending December 31, 1885—Continued.

EXPENDITURES—Continued.

Disbursements.	Expenditures, 1885–'86.	Estimate of arrears.	Total account including estimate of arrears.	Budget and supplementary grants.	Surplus expense.	Less expense.
VII.—POLICE, ETC.—continued.						
Prison deputation.						
	Marks.	*Marks.*	*Marks.*	*Marks.*	*Marks.*	*Marks.*
Directory of prison	9,055.05	.....	9,055.05	10,140.00	.....	1,084.95
Central prison	466,922.17	.....	466,922.17	509,000.00	.....	42,077.83
City infirmary and prison	255,878.46	.....	255,878.46	308,594.00	.....	52,715.54
Investigating prison	117,003.40	.....	117,003.40	152,100.00	.....	35,096.60
Poor and work house	687,978.32	.....	687,978.32	825,326.00	.....	137,347.68
Reformatory	45,019.64	.....	45,019.64	60,500.00	.....	15,480.36
Medical board	93,228.45	.....	93,228.45	96,620.00	.....	3,391.55
Gynæcological institution	23,491.81	.....	23,491.81	25,900.00	.....	2,408.19
Fire department	498,257.93	.....	498,257.93	522,813.60	.....	24,555.67
Insurance of infirm, etc	59,099.14	.....	59,099.14	59,100.00	.....	.86
Funeral deputation	2,098.25	.....	2,098.25	2,240.00	.....	141.75
Church yard	92,218.34	.....	92,218.34	93,950.00	.....	1,731.66
			4,928,432.81	5,300,097.65		
VIII.—PUBLIC AID AND SUPPORT.						
General infirmary	1,121,024.90	.....	1,121,024.90	1,110,950.00	.....	69,925.10
Seaman's hospital	57,243.08	.....	57,243.08	59,700.00	.....	2,456.92
Lunatic asylum	647,138.59	.....	647,138.59	685,740.00	.....	38,601.41
Orphan asylum	244,177.98	.....	244,177.98	261,400.00	.....	17,222.02
Poor-house	1,587,987.44	.....	1,587,987.44	1,649,900.00	.....	61,912.56
Department for benevolent instruction	4,568.69	.....	4,568.69	5,500.00	.....	931.40
Poor-house, St. Paul's	329,699.69	.....	329,699.69	332,435.75	.....	2,786.06
			3,991,840.28	4,185,675.75		
IX.—FOREIGN AFFAIRS.						
Diplomatic expenses	48,760.67	.....	48,760.67	56,000.00	.....	7,239.33
			48,760.67	56,000.00		
X.—COUNTY ADMINISTRATION.						
Joint administration of the four Landherrschaften	47,595.47	.....	47,595.47	48,230.00	.....	634.53
Landherrschaft Geestlande	460,577.10	.....	460,577.10	465,254.53	.....	4,677.43
Landherrschaft Marschlande	150,588.53	.....	150,588.53	166,100.00	.....	15,511.47
Landherrschaft Ritzebüttel	97,141.20	150.00	97,291.20	102,985.05	.....	5,693.85
Landherrschaft Bergedorf	96,606.56	.....	96,606.56	109,512.82	.....	12,906.26
			852,658.86	892,082.40		
XI.—EXTRAORDINARY EXPENSES.						
Pension indemnities, etc	116,490.02	.....	116,490.02	119,753.00	.....	3,262.98
Temporary aid	80,993.92	.....	80,993.92	87,486.32	.....	6,492.40
Unforeseen expenses	266,383.03	.....	266,383.03	290,616.65	.....	24,233.62
			463,866.97	497,855.97		
XII.—ETAT OF IMPERIAL GOVERNMENT.						
Aversum and matricular payments	4,924,340.86	.....	4,924,340.86	5,000,000.00	.....	75,659.14
	36,073,017.13	110,856.32	4,924,340.86	5,000,000.00	1,708.37	2,039,347.04
			36,183,873.45	38,221,512.12		
Balance carried over from the surplus of former years			2,160,964.56			
Total			38,344,838.01			

WM. W. LANG,
Consul, Hamburg.

TAXATION IN MAYENCE.

REPORT OF COMMERCIAL AGENT SMITH.

The income and expense account of the city of Mayence for the fiscal year 1885–'86 (April 1, 1885, to April 1, 1886) was as follows, divided into two parts, one known as the administrative account, and the other as the property account, namely:

Income and expense account for the fiscal year 1885–'86.

Items.	Receipts.		Expenditures.	
	Marks.	Dollars.	Marks.	Dollars.
Administrative account.				
Brought forward from former years	37,203.77	$8,928.00		
Buildings	28,579.51	6,858.00	25,337.18	$6,080.00
Grounds	23,934.57	5,744.00	495.90	118.00
Fairs and markets	49,164.17	11,799.90	1,445.30	346.00
Gas-works	264,624.23	63,509.00	39.25	14.00
Measuring and weighing offices	9,368.53	2,248.00	2,887.49	692.00
City store-house	10,770.84	2,586.00	5,633.57	1,361.00
Cattle-yard and slaughter-houses	17,553.50	4,212.00	8,801.76	1,212.00
Harbor	48,542.59	11,650.00	53,984.04	12,956.00
General administration	4,123.33	989.00	175,052.33	42,012.00
Police	11,784.02	2,828.00	131,105.19	31,465.00
Grants and bequests	6,821.27	1,637.00	24,253.28	5,820.00
Care of poor and sick	66.43	16.00	106,692.09	25,606.00
Cemetery	15,132.62	3,631.00	9,888.49	2,373.00
Church	21,354.56	5,124.00	21,146.35	5,795.00
Schools	47,714.65	11,451.00	231,585.45	55,580.00
Library	1,371.43	329.00	19,551.43	4,691.00
Public art collections	1,053.12	252.00	12,461.82	2,990.00
City theater	1,561.55	374.00	51,993.07	12,478.00
Orchestra funds			15,004.73	3,600.00
Town-hall	24,772.48	5,945.00	7,626.36	1,830.00
Keeping up of streets	27,449.58	6,587.00	231,854.56	55,644.00
Keeping up river-bank	13.39	3.00	8,015.24	1,923.00
Promenades	2,300.00	552.00	25,800.80	6,192.00
Street cleaning	48,236.64	11,576.00	184,360.81	44,246.00
Street lighting			62,289.24	14,949.00
Water supply	10,355.64	2,485.00	13,832.65	3,319.00
Care of mains	508.74	121.00	5,422.46	1,301.00
Fire department	964.20	231.00	27,228.51	6,534.00
Provincial and county institutes			69,879.08	16,770.00
Extension of city			204,249.60	49,019.00
Paid on city debt			26,564.58	6,375.00
Interest	19,117.09	4,588.00	295,361.93	70,886.00
To balance administrative and property accounts	195,247.12	46,859.00	204,468.70	49,082.00
Octroi	520,847.58	125,003.00	132,555.34	31,813.00
Municipal taxes	1,058,177.85	253,962.00	48,794.30	11,710.00
Miscellaneous	1,729.91	414.00	4,417.35	1,060.00
Total	2,510,453.91	602,508.00	2,453,147.43	588,755.00
Property account.				
Brought forward from former years	465.93	111.00	31.22	7,000.00
Purchase and sale of ground	4,838.84	1,161.00	243,905.33	58,537.00
Construction of buildings	7,976.87	1,914.00	320,789.96	76,989.00
Providing old town with mains			147,352.81	35,364.00
Construction of street and mains in new town	12,800.00	3,072.00	157,381.68	37,771.00
Water-works	14,139.98	3,393.00	97,911.10	23,498.00
Extension of river-bank			230,393.94	55,414.00
River improvements	23,500.00	5,640.00	383,418.28	92,020.00
Harbor work			332,562.07	79,814.00
Work on river-bank			33,956.56	8,149.00
Construction of a new bridge over Rhine			37,445.98	8,986.00
On new streets in old town	208.18	49.00	34,518.26	13,084.00
Balancing administrative and property accounts	204,468.70	49,072.00	195,247.12	46,829.00

Income and expense account for the fiscal year 1885–'86—Continued.

Items.	Receipts.		Expenditures.	
	Marks.	Dollars.	Marks.	Dollars.
Property account—Continued.				
Municipal funds	3, 505, 253. 02	841, 260. 00	780, 656. 18	187, 357. 00
Miscellaneous	7, 445. 07	1, 788. 00	7, 816. 42	1, 875. 00
Total	3, 781, 096. 59	907, 463. 00	3, 023, 886. 91	725, 732. 00
Recapitulation.				
Administrative account	2, 510, 453. 91	2, 453, 147. 43		
Property account	3, 781, 096. 59	3, 023, 886. 91		
Grand total	6, 291, 550. 50	1, 509, 722. 00	5, 477, 034. 34	1, 314, 488. 00

The debt of the city is put at 9,829,362 marks ($2,359,046) at the close of the year, against 7,052,955 marks ($1,692,709) at the expiration of 1884–'85, and its property or assets at 15,527,702 marks ($3,726,648) against 12,984,158 marks ($3,116,177), for 1884–'85.

The space in the city of Mayence serving for streets, ways, and squares, exclusive of the country roads, amounted in the aggregate to 616,461 square meters, divided up as follows:

	Square meters.
Paved area	282. 028
Roadway	185, 873
Graveled plats	115, 832
Asphalt sidewalks	32, 728
Total	616, 561

Upon which during the year 111,566 marks ($26,775) were spent in keeping them up.

The total length of the water mains of the city at the close of the year amounted to 30,345 meters, of which 7,382 were added during the year, possessing a capacity of 492,867 cubic meters, with an ability to supply 2,025 buildings with water, but in reality only 957 buildings were provided with water. The average daily consumption of water during the year amounted to 945 cubic meters.

Of sewer pipage there were 5,095 running meters with connections, requiring an outlay during the year of 3,930 marks ($943).

There were 3,423,070 centners of merchandise unloaded from vessels in the harbor of Mayence during 1885–'86, against 3,497,087 centners in 1884–'85, and 514,046 centners taken on board, against 578,104 in 1884'–'85.

The receipts from octroi duties amounted to 518,667 marks ($124,480) against 524,624 marks ($125,909) in 1885–'86, obtained from the following sources:

Source of duty.	Marks.	Dollars.
Beverages	204, 320. 42	$49, 036
Slaughter-house animals and flesh	163, 260. 28	39, 187
Dried vegetables, flour and bread	38, 800. 06	9, 312
Fuel	87, 184. 40	20, 924
Fodder	16, 711. 40	4, 010
Miscellaneous	4, 904. 13	1, 176
Army preserving factory	3, 466. 95	831
Total	518, 666. 70	124, 480

From this amount 52,732.30 marks ($12,655), should be subtracted as refunded duties on beer and military supplies.

To collect the octroi duties cost 76,232 marks ($18,29 5), or 16.4 per cent. of the net receipts.

The octroi tariff is in substance as follows:

Articles.	Marks.	Dollars.
Wine and cider in casks ..... per hectoliter*	.55	$0.13
Unpressed grapes for wine ..... do	.45	.10
Wine and cider in bottles or jugs:		
When less than 200 liters † in quantity ..... per liter	2.00	.47
In larger quantities, every further liter	1.00	.23
Brandy brought into the town ..... per hectoliter	2.15	.51
Brandy manufactured within the city or its territory:		
When made out of grain or other mealy stuff, for each 200 liters (210 quarts) of	.25 to .30	.06 to .07
When made of other than mealy stuffs, on each 200 liters of material	.20 to .40	.05 to .09½
Brandy and liquors in bottles or jugs ..... per liter	.20	.05
Beer brought into the town ..... per hectoliter	.66	.15½
Beer made in the town:		
On grain used ..... per 50 kilograms ‡	1.15	.67
On rice used ..... do	1.45	.34
On green starch ..... do	1.15	.27
On starch and starch flour ..... do	1.70	.40
On sugar of all kinds ..... do	2.85	.67
On sirup of all kinds ..... do	2.30	.54
On all other malt surrogates ..... do	1.70	.40
Vinegar ..... per hectoliter	1.20	.28
Bulls, oxen, and bullocks ..... per head	11.00	2.61
Cows and neat cattle ..... do	7.00	1.66
Swine ..... do	1.75	.41
Calves ..... do	.75	.16
Sheep, goats, and lambs ..... do	.50	.11
Sucking pigs and breeding swine, hares, and geese ..... do	.20	.05
Deer and wild swine ..... do	1.00 to 2.00	.23 to .47
Fresh meat of cattle and game ..... per ½ kilogram	.03	1/10
Sausage of all kinds, and meats salted, smoked, or preserved ..... do	.06	.01½
Pease, beans, and the like ..... per 50 kilograms	.30	.07
Flour ..... do	.25	.05
Bread ..... per 5 kilograms	.02	1/10
Fire-wood of all kinds ..... per 50 kilograms	.07	.01½
Charcoal ..... do	.36	.08½
Coal ..... do	.06	.01½
Coke ..... do	.09	.02
Hay and dried clover ..... do	.12	.03
Straw ..... do	.05	.01
Oats and vetches ..... do	.24	.05
Groats and bran ..... do	.09	.02

* 46½ gallons. † 26.418 gallons. ‡ 110 pounds avoirdupois.

The people of Mayence pay to the city and state four kinds of direct taxes: business tax, real-estate tax, capital tax, and income tax.

The industrial tax is paid according to a classification governed by the size and character of the business engaged in. The rate is 25 8/10 pfennigs (6 cents) to the city on each mark of assessed basis for taxation, and 17 pfennigs (4 cents) to the state, making 42 8/10 pfennigs in all on each mark. There were in 1885–'86 some 4,256 persons who paid this tax. The basis for imposing the tax is determined by dividing the whole body of tax-payers into eight groups or classes, according to size and kind of business. Thus 500 marks ($119) is fixed as the highest amount and 10 marks ($2.38) the smallest upon which the tax shall be imposed, and in addition a certain sum exacted on the rent paid and for each person employed in the business; thus a manufacturer of snuff with more than 20 assistants is placed in the first class, and in addition to the tax on 500 marks pays 45 marks ($10.71) for each one of his leading employés, such as bosses, book-keepers, traveling salesmen, and 14 marks ($3.33) for each subordinate employé; a shoe manufacturer with more than 21 assistants, 45 marks for each of the first kind and 10 marks for each of the second.

The following persons are exempt from the tax:

Public officers and employés, physicians, surgeons, and midwives, attorneys-at-law, architects, so far as they are engaged in drawing up building plans and superintending buildings, artists, engravers on copper, lithographers and sculptors, so far as they do not go beyond the sale of their own individual productions, authorized geometricians, private teachers, teachers of the liberal arts and private clerks, commercial clerks, journeymen, apprentices, day laborers, wood-cutters, and every one who works for another in his house or workshop or in mines, quarries, and the like; flax, wool, and cotton spinners who work on a small scale and whose business does not assume a factory character; seamstresses and washerwomen who work at home or abroad without hired help; fishermen and broom-binders, as well as all persons who sell on the streets or in the public squares, fruit, vegetables, flowers, butter, and other small objects of a kindred nature; also owners and operators of mines at the opening and during the working of a mine when no mineral products are obtained.

In 1885–'86 there were 4,256 persons who paid a business tax in Mayence, classified as follows:

Class.	No.	On basis of—	
		Marks.	Dollars.
First	80	500	119.00
Second	366	340	80.92
Third	163	160	38.08
Fourth	213	120	28.56
Fifth	970	80	19.04
Sixth	812	60	14.28
Seventh	1,620	40	9.52
Eighth	32	32	7.61

The total amount of the basis on which the tax was levied was 1,222,581 marks ($293,419) in the case of the city, and 1,219,820 marks ($292,756) for the state. The total tax collected was 546,435 marks ($131,144).

The tax on real property is paid according to a law passed in 1824, and on an old valuation. The total basis upon which to levy the tax was put at 1,139,010 marks ($273,362) for the state in 1885–'86, and the same for the city, upon each mark of which 15 pfennigs (3 cents) were paid to the state and 22.8 to the city, making about 1.8 per cent. on the actual value in the case of the former, and 1.25 per cent, in the case of the latter.

The capital tax is levied on the interest or net returns derived from invested capital, so far as this capital is not put into real estate or industrial establishments, or is used in an individual's own business or enterprise that is not subject to the industrial tax, or in his farming operations. Dividends and interest upon the stock of enterprises in the Duchy which pay an industrial tax are exempt from the capital tax. The following parties are also exempted: The members of the royal household, the state, institutions which are supported by annual contributions from the state, charitable institutions for the sick and poor public institutions of learning, public loan and savings banks, civil and religious corporations and societies so far as concerns the amounts they receive for corporative purposes, societies for mutual insurance against damage by fire, water, and hail, and to cattle, or from other acci-

dental causes; workingmen's clubs organized for the relief of one another in sickness and death, all persons whose taxable annual interest from invested money does not exceed 100 marks, widows and minor orphans, and all persons disabled for work whose annual income does not exceed 1,500 marks, when the interest from their invested capital does not reach 750 marks a year.

The basis of taxation is 404,305 marks ($97,033) to the state and 383,097 marks ($91,943) to the city. Total tax paid, 167,016 marks ($40,083).

The income tax is levied on all incomes amounting to 500 marks and more a year, and the basis for the tax is fixed as follows: On all incomes from 500 to 600 marks ($119 to $145) the tax of 12.9 marks ($3.07) was paid to the city in 1885–'86 and 17 pfennigs (4 cents) to the state on a basis of 30 marks ($7.50), and the basis gradually increases up to 425,280 marks ($102,067), which is the basis for taxation of an income reaching 2,659,000 marks ($638,160) a year.* Three thousand three hundred and ninety-five persons pay an income tax on up to 600 marks ($142.80) a year; 9,011 on incomes from 600 to 1,100 marks a year; 4,256 on incomes from 1,100 to 2,600 marks a year; 1,490 on incomes from 2,600 to 5,000 marks a year; 848 on incomes from 5,000 to 10,000 marks; 305 on incomes from 10,000 to 20,000 marks; 89 on incomes from 20,000 to 40,000 marks; 30 on incomes from 4,000 to 100,000 marks a year; and 45 on incomes from 100,000 to 285,000 a year; and 1 on an income of 2,659,000 marks a year, making a total of 19,329 income tax-payers. The total basis upon which income was paid in 1885–'86 by these people was 4,257,575 marks ($1,021,818) for the state, but to the city the tax was imposed on only 1,921,376 marks ($461,130).

The income from real property situated in another German State, or from a business carried on in another German State, as well as salaries, pensions, and the like, received by civil or military officers or their heirs, from another German State are exempt from the income tax; corporations and stock companies are taxed on profits.

The following persons are exempt from the income tax:

Minors under eighteen when they do not draw an income of 250 marks a year, as well as older persons studying at the high schools and universities.

All non-commissioned officers and privates belonging to the army in time of peace on incomes springing from military service as well as on incomes coming from other sources so far as it does not exceed 500 marks.

The incomes of the non-commissioned officers and privates belonging to the reserve and landwehr for the months during which they perform military service, so far as their incomes do not exceed 2,600 marks.

The officers, non-commissioned officers, and privates of the standing army and landwehr, as well as military physicians and officials for the time they are in active service, when their entire income does not exceed 2,600 marks ($624).

Officers, military physicians, and officials, in the case of their military incomes, when their entire income exceeds 2,600 marks ($624).

Persons drawing invalid pensions when their entire income is under 600 marks, and in the case of invalids who are disabled for work up to 700 marks.

Foreigners exempted by treaty stipulations.

In imposing the tax the expenditures made by a person in making his livelihood are deducted, as is the interest paid on debts, burdens upon his income decreasing it, the taxes paid on real and industrial property and on capital, the interests and dividends from stocks and bonds, so far as an income tax has already been paid upon them by the company or party from whom received. But no allowance is made for the support of the tax-payer or those of his household expenditures made in ex-

* That is, people with an income of from 500 to 600 marks pay a tax on 30 marks; those with an income of from 600 to 750 marks, a tax on 45 marks, and so on.

tending or improving one's business, increasing its capital; life and fire insurance payments, and the like, are not subtracted.

The people of Mayence paid during the fiscal year, April 1, 1885, to March 31, 1886, the following total amounts in taxes, with certain remissions:

Taxes.	Marks.	Dollars.	Remissions.	
			Marks.	Dollars.
State	1,379,444	331,066	36,303	.....
Communal	1,053.116	252,747	46,198	.....
Octroi duties	518,667	124,480	52,732	.....
Total	2,951,227	708,294	135,233	32,455

The collection of these taxes cost the following amounts, exclusive of expenses connected with the forcible collection of taxes and the costs of the upper administrative offices:

Taxes.	Marks (estimated).	Dollars.
State	20,000	4,800
Communal	11,600	2,784
Octroi duties	76,232	18,295
Total	107,832	25,879

In the cleaning of the streets of the city 12 bosses and 46 to 60 workmen were regularly employed, rendering twenty thousand two hundred and twenty-one days of labor, with a total compensation of 42,689 marks ($10,245); extra work caused by snow required in four months' time a larger number of workmen, with a total wage of 10,740 marks ($2,577); four sweeping machines are used. The removal of the dirt and waste of the streets and houses required 12,122 one-horse and 2,094 two-horse wagons during the year. To take away snow and ice from the streets 11,713 one-horse and 912 two-horse wagons were employed in the course of the winter. To keep the streets clean required altogether an expenditure of 78,112 marks ($18,746).

The sprinkling of the streets in summer cost 15,813 marks ($3,795), including the keeping of the watering machines in good order. The streets were watered on sixty days.

To keep the sewers clean 10 to 18 workmen were daily employed, rendering altogether three thousand four hundred and eighty-seven days of labor. The cleaning out of the traps kept 2 to 4 men daily busy, who rendered altogether seven hundred and nine days of labor. They emptied 29,078 traps. Besides this work, done by means of cranes, there were 81,507 small traps emptied, by which 6 workmen were kept active.

The most of the houses of Mayence have privy sinks, I believe, and few have regular water-closet sewerage. The most of these sinks are emptied twice or thrice a year, but many of them only once. During the year under consideration 8,693 were cleaned out.

Regular dealers in wine and beer pay no regular inland tax thereon, but keepers of hotels and restaurants have to pay a small tax on the wine sold.

For a few years past the city of Mayence has been under heavy expenses for public improvements, and its expenditure account is consequently higher than it would ordinarily be as a fortified town. In times past it had been cramped in its growth, and although the necessity of enlargement of the city's limits was seen and severely felt, it could not be brought about—owing to the strategic importance of the city and the importance of the fortifications by which it was encompassed—until 1872. Within the last ten years the old lines of fortifications have been razed to the ground and new ones beyond them created, and much new ground placed at the disposal of the city, which has been divided off into streets and building lots, upon which many handsome buildings have already gone up. A handsome quay, to protect the city from the encroaches of the river Rhine, has also been constructed, as well as new harbors and a new custom-house. A very handsome city hall, too, has been built, gas-works in the possession of a private company purchased, etc. All this has cost much money, and the improvements are not yet fully through with. The city has expended several million dollars. The taxes paid according to classification were as follows:

Paid to the—	Real estate.		Business.		Capital.		Income.	
	Marks.	Dollars.	Marks.	Dollars.	Marks.	Dollars.	Marks.	Dollars.
City	252,747	60,659	284,341	68,241	84,249	20,219	431,777	103,626
State	206,916	49,659	262,094	62,902	82,766	19,863	827,666	198,639
Total	459,663	110,318	546,435	131,143	167,015	40,082	1,259,443	302,265

JAS. HENRY SMITH,
Commercial Agent.

TAXATION IN STETTIN.

REPORT OF CONSUL FAY.

Since the establishment of the German Empire all the duties as well as the indirect taxes and excesses having mostly passed over to the general Government, the wants of the Prussian State are principally covered by direct taxes, which are as follows:

(1) A land tax from the whole of the area and soil of the country.
(2) A house tax from every edifice, including dwellings, farm buildings, manufactories, etc.
(3) An income tax on every subject whose income is 900 marks or more, without taking into consideration the taxes mentioned in numbers 1 and 2.
(4) A trade tax from every industry.
(5) A brewery tax from every brewery.
(6) A church tax.
(There is no "personal tax" such as we have in America; for example, furniture, stock, and such like are not taxed.)

These taxes are assessed and collected according to the following rules:

LAND TAX.

The area and soil of the whole country, including the Government lands and forests, is measured by experts, and divided into eight dif-

ferent classes in proportion to its productiveness and the average net proceeds valued in money. From the proceeds ascertained in this manner the owner has to pay a tax of 8 per cent. to the Government.

THE HOUSE TAX.

All the dwelling-houses of the country, with the exception of the royal castles and the Government edifices, as well as all the farm buildings and manufactories, are estimated in proportion to their real rent or the probable renting value; 4 per cent. must be paid from the yearly revenue of dwelling-houses and 2 per cent. of that of farm-houses and manufactories by the proprietor to the Government.

THE INCOME TAX.

The annual income of every inhabitant is every year estimated by persons duly commissioned according to law. From such annual income thus estimated interest on debts clearly proved may be deducted; 2 per cent. is levied by the Government on incomes of from 900 to 3,000 marks; incomes above the 3,000 marks are taxed 3 per cent. Incomes of less than 900 marks pay no Government tax.

THE TRADE TAX.

All those engaged in trade or business of any kind pay a Government tax of 2 per cent. on the revenue derived therefrom.

THE BREWING TAX.

Regardless of the before-mentioned trade tax, a brewing tax is raised from the brewers, who have to pay 2 marks for every hundred weight of malt made use of. This tax must, to avoid a high fine, be paid daily to the custom-house of the district before beginning to brew.

CHURCH TAX.

This is an extra tax collected every year for the maintenance of the clergy by the church officials, and amounts to no more than 2 marks for each family.

By this manner of taxation tax-payers, particularly land-owners, are heavily pressed, having to pay land-tax of 8 per cent., building-tax of from 2 to 4 per cent., trade tax of 2 per cent., and an income tax of 3 per cent.; in all, therefore, about 16 per cent. of taxes to the Government, while a capitalist has only to pay 3 per cent. of his yearly income, to get a true estimate of which is generally very difficult.

These inconveniences, and the unequal treatment of the different citizens connected therewith, have been acknowledged by the Prussian Government for a long time, and a thorough reformation of such a manner of taxation is contemplated.

I am not able to state the amounts of the different taxes paid by the inhabitants of my district, such a statement not being contained in the report of the finances of the state, and presume it would be of very little interest for the Department of State.

There is no direct school tax. The schools are supported by a small assessment on each pupil, and the deficiency is paid out of the city or district taxes.

TAXES OF STETTIN.

Respecting the manner of raising the taxes of Stettin, a city of about 100,000 inhabitants, I am in the position of being able to give special information. The "revenue report" of Stettin for the year ending March 31, 1887, having been handed me by the competent authorities, I beg to transmit herewith.

The city of Stettin in order to defray its expenses for the above mentioned year required, besides the revenue from its landed property and its funds, $260,000, which sum was raised by an additional tax to the before-mentioned Government taxes in the following proportion:

Tax.	State.	City.
	Marks.	*Marks.*
Land	4,935	3,700
House	356,000	178,000
Income	626,000	835,000
Trade	180,000	45,000
Dog		13,500

I have to state that the city raises an income tax on all those whose income exceeds 420 marks.

Dogs are taxed 9 marks per head, which yields the city about 15,000 marks.

The assessment and collection of state taxes, with the exception of the state income tax, is managed by the authorities of Stettin, the city receiving therefor, respectively, 3, 4, and 6 per cent. from the amounts of the different taxes. The total expenses of collecting the taxes of the city of Stettin amounts to 53,000 marks, the state contributing thereto 30,700 marks; so that it cost the city but 22,300 marks for collecting the municipal taxes.

The proprietors of houses and rentable buildings in one respect complain very seriously of the mode of taxation, having to pay not only an income tax on the revenue derived therefrom, but also a house or property tax, making really a double tax, and they are continually demanding an alteration of this manner of taxation.

Considering the extent of the report of the finances of this city I have omitted giving a translation of the same, as it contains a great many points that would be of interest to no one outside of Stettin.

MANNER OF ASSESSING AND COLLECTING.

The assessors are appointed by the city government authorities. There is one for each trade or industry, who must have a practical knowledge of the branch he is given to assess.

The tax-payer does not have the privilege of giving his own estimate, as is the case in America, but the assessment is made by the assessor, and then offered to the tax-payer for his approval, who, if dissatisfied with the estimate, protests, and is then given a short time to show why the assessment should not be held valid. This claim must be substantiated by the affidavits of two reputable citizens, and then the authorities decide which statement is correct. Should the decision be made in favor of the estimate of the assessor, the tax-payer has the privilege of submitting the matter to the courts for a final settlement.

Taxes are collected every three months. Assessments are made yearly. There are no collectors, but the tax-payer must pay his dues

to the city treasurer, as before stated, every quarter, and if payment is not made promptly, according to the fixed laws, a fine is imposed.

ANDREW F. FAY,
Consul.

UNITED STATES CONSULATE,
Stettin, June 22, 1887.

TAXATION IN WURTEMBERG.

REPORT OF CONSUL KIMBALL.

For the current fiscal year the revenue from taxes in Wurtemberg (population 2,000,000) is estimated as follows:

Direct taxes	$3,247,932
Indirect taxes	3,306,391
Total of government taxes	6,554,323

DIRECT TAXES.

Direct taxes are levied on landed property, houses, trade, investments in stocks, bonds, etc., and salaries.

For fourteen years past a large staff of revenue officers has been engaged in composing new registers containing the materials for the assessment of the three first-named categories of direct taxes. These registers are now completed and with the necessary additions and alterations will henceforth form the basis of taxation on landed property, houses, and trades.

Hitherto the rate of taxation has been different for each of the three categories, but this year a law has been passed by the Wurtemberg Diet fixing the tax at the uniform rate of 3.9 per cent. of the revenue. Thus the tax of 3.9 per cent. is levied on the yearly average net yield of landed property as assessed by official appraisers. The full value of houses is assessed and 3 per cent. of the value is considered to be the net revenue on which the tax of 3.9 per cent. is to be levied. The tax on trade includes every kind of industrial and commercial enterprise except farming, which is exempt from trade tax for the reason that in most cases the landed property tax is at the same time a tax on the farmer's sales. The mode of assessment of the trade tax is a complicated one. Merchants and tradesmen have to state the amount of capital invested in their business and the number of assistants. Their statements are submitted to a board of appraisers, who estimate the annual revenue from the capital invested and the value of the merchant's personal activity, which value is considered as the merchant's personal earnings, and is added to the revenue from his capital, the sum total forming the amount on which the tax is levied. Any capital less than 700 marks ($166) is not subject to trade tax, and of personal earnings only an amount exceeding 3,400 marks ($809) is subject to the full tax, while of minor amounts only the following proportions are counted:

Up to 850 marks	one-tenth
From 850 to 1,700 marks	two-tenths
From 1,700 to 2,550 marks	four-tenths
From 2,550 to 3,400 marks	eight-tenths

On the revenue from investments in stocks, bonds, etc., and on all kinds of salaries exceeding 350 marks ($83) per annum, a tax of 4.8

per cent. is levied. Salaries exceeding the amount of 3,400 marks are subject to the full tax; of minor amounts only the proportions mentioned before in connection with trade tax are subject to taxation.

For the current fiscal year direct taxes are estimated as follows:

Tax on—	Marks.	Dollars.
Landed property	3,654,275	869,717
Houses	2,258,100	537,428
Trades	2,757,900	656,356
Investments and salaries	4,976,600	1,184,430

INDIRECT TAXES.

The State budget contains the following estimates of indirect taxes for the current fiscal year:

	Marks.
(1) Excise on—	
Lotteries, theaters, and shows	31,000
Sale of real estate	1,500,000
Sundries	7,000
	1,538,000
Expenditure	82,000
Net amount of excise	1,456,000
or $346,528.	
(2) Tax on dogs—net amount	213,600
or $50,837.	
(3) Tax on wine, cider, malt, beer, and distilled spirits:	
Wine and cider (11 per cent. retail—excise)	2,000,000
Malt used for brewing—10 marks for 100 kilograms (220 pounds) unground malt	7,250,000
Manufacture of distilled spirits	300,000
Retail of distilled spirits	320,000
Import tax on ground malt and on beer	130,000
Import tax on distilled spirits	1,100,000
Sundries	47,000
	11,147,000
Expenditure	1,446,200
Net amount	9,700,800
or $2,308,790.	
(4) Perquisites of notarial, judicial, and administrative authorities	1,942,000
Legacy and donation tax	580,000
	2,522,000
or $600,236.	

LOCAL TAXES.

At Stuttgart, the capital of Wurtemberg, containing 125,000 inhabitants, the following local taxes are levied by the city administration:

(1) Residence tax, due from every self-dependent person residing at Stuttgart: Male persons pay 4 marks (95 cents) per year, females 2 marks (47 cents).

(2) Tax on consumption of the following articles:

(*a*) On beer, for 1 hectoliter (about 26½ gallons), 65 pfennig (15 cents); for 100 pounds unground malt 1.25 marks (30 cents).

(*b*) On meat, for 1 kilogram (2½ pounds), 6 pfennig (1½ cents).

(*c*) On gas, for 1 cubic meter (35½ cubic feet), 4 pfennig (1 cent).

(3) Tax on investments in stocks, bonds, etc., and on salaries, 1 per cent. of the revenue assessed for government taxation.

(4) Tax on landed property, houses, and trade.

I append the principal items of the revenue and expense account of the city of Stuttgart for the period from April 1, 1886, to April 1, 1887.

Budget of the city of Stuttgart.

ESTIMATED REVENUE.

	Marks.
Local taxes on landed property, houses, trade, beer, meat, etc	3,077,000
Toll on turnpike	22,955
Excise on markets and fairs	51,280
Official fees of city offices	82,060
City police (fines, etc)	25,420
Rent from houses, land, etc	71,121
Revenue from forests, fields, etc	50,806
Interest	27,535
Revenue from aqueduct	374,332
Revenue from drainage	357,900
School fees	54,512
Contribution of State to expenditure for city schools	24,815
Contribution of inhabitants to cost of sewers, etc	92,900
Contribution of gas company	15,000
Revenue from cemeteries	39,070
Miscellaneous	56,271
From city fund	450,298
	4,873,275
Or	$1,159,839

ESTIMATED EXPENSE.

Salaries and contingent expenses	297,687
Taxes and excise refunded	53,290
Cost of collection of taxes and excise	43,855
Cost of elections	500
Family register	15,700
Cost of law-suits	1,000
Festivities	18,000
Taxes	12,400
Interest and amortization	706,922
Cemeteries	20,644
City buildings	78,024
Forest administration	32,450
Fields	3,500
Police administration	467,578
Lighting of the streets	134,505
Protection of landed property	16,800
Streets, public squares, monuments, etc	764,839
Canals, ponds, etc	288,729
Cleansing of streets	89,300
Drainage	356,125
Fountains and conduit	194,458
Markets and fairs	17,320
City gauger's office	9,685
Schools	748,404
Contributions to various societies	11,733
Institutions of beneficence	398,166
Vaccination	3,000
Pensions and donations	16,981
Inspection of cattle and meat	11,000
Military quartering and recruiting	4,600
Office of insurance against sickness	27,053
Miscellaneous	29,027
	4,873,275
Or	$1,159,839

C. P. KIMBALL,
Consul.

STUTTGART, *August* 5, 1887.

GREECE.

PIRÆUS.

REPORT OF CONSULAR AGENT M'DOWALL.

I herewith inclose a transcript of the municipal budget of this town for the year ended 1886, showing the municipal receipts and expenditures in the various departments.

The collection of the municipal revenues is done in the custom-house. The municipality receives 5 per cent. on the sum charged as customs dues by the Government on all goods imported for sale or use in Piræus. The proceeds of this 5 per cent. tax and the rents from municipal property are the chief sources of revenue.

The principal part of the national revenue is collected in the custom-houses by taxing imports; taxation generally presses heavier on the working classes than on the middle and upper classes of society. But the greatest tax of all, and the one which bears most heavily on the working classes, is the depreciation of the currency of the banks (30 per cent.) combined with the fact of its being a forced currency. Greece imports nearly all her breadstuffs, all her sugar, coffee, and a large quantity of her beef and mutton; all cloths, woolen and cotton, and all the leather required for boot making, so that one may say almost everything consumed by the working classes is taxed heavily, first, by the Government at the custom-house, and secondly by a 30 per cent. loss of purchasing power through the depreciation of the currency, as all goods imported must be paid for in gold, and the working classes and Government servants are paid in notes, and have received no advance in their wages; consequently the forced currency means to them a reduction of 30 per cent. on their formerly small enough wages. The heavy taxation and forced currency weigh heavily on all classes of the people, making Greece one of the dearest countries in Europe to live in; but the pressure is felt most by the working classes and Government servants, whose position at present is anything but enviable.

As regards the distribution of taxation, this is difficult to fathom in a country where statistics are not kept; but to a careful observer it is perfectly evident that the lower classes pay far more in proportion to their income than the rich or well-to-do classes.

The relations between indirect and direct taxation in national matters are as 2½ to 1. In the Government budget for 1886 indirect taxes were supposed to bring in 50,000,000 drachmas, and direct taxes about 20,000,000 drachmas; but it is a well-known fact that the direct taxes never come anything near the proposed budget sum in collection; there is, or always has been, a heavy deficiency; probably not more than two-thirds of the budget sum has been collected for several years past, although lately great pressure has been brought to bear on defaulters by the Government.

The expense of collection of the revenue is, I fear, impossible to be got at, unless by the diplomatic agent from the ministry; and it is altogether questionable whether they can supply the exact figures.

The proportion of taxation to income can not be got at except in the case of limited liability companies; these pay 5 per cent. on dividends and an additional stamp duty on each share.

A. C. McDOWALL,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Piræus, April 27, 1887.

Municipal receipts and expenditures of the town of Piræus, Greece, for year 1886.

RECEIPTS.

Items.	Drachmas.	Items.	Drachmas.
Rents from municipal property	168, 941	Government assistance towards support of Piræus gymnasium, etc	10, 200
Tax on imported merchandise by sea and land	370, 400	Deposits (cash) without interest	7, 500
Ten per cent. of tax collected by Government as license to traders and on all kinds of business in the town	15, 000	Deposits (cash) with interest	3, 300
Ten per cent. of Government house property tax in town	15, 000	Amounts due from year closed	27, 000
Tax on vineyards and vegetable gardens, etc., in township	1, 500	Cash on hand	15, 000
		Total income from all sources	633, 841

EXPENDITURES.

Education:		Watering streets and squares	10, 000
Gymnasium, compensation of professors etc	24, 540	Coal, etc., for pumping engine (waterworks)	10, 000
High school (boys)	2, 400	Repairs water-mains	5, 000
Girls' school	21, 360	Salary of engineer's department	39, 720
Boys' schools	14, 340	Scavenging department (men and carts)	37, 500
Instrumental school of music	3, 240	Lighting town, gas and lamp-lighters, etc	69, 780
Care-takers, janitors, etc. (wages of)	9, 980	Charities to hospital, orphanages, Old-man's rest, etc	45, 600
Teachers' residence (rent of)	10, 140	Medical department	19, 570
General expenses in education department for books, maps, prizes, etc	6, 500	Advances	2, 000
	92, 500	Municipal debt, interest on	56, 715
		Repaid deposits	5, 800
Annual salaries of municipal servants:		Municipal works:	
Mayor	2, 400	New road and street making	20, 000
Mayor's secretary	4, 200	Repairs streets	10, 000
Book-keeper	3, 000	Macadam for repairing roads	10, 000
Five clerks	7, 440	Repairs sidewalks and gutters	3, 000
Collector	3, 000	Yearly expenditure on new theater (building)	80, 000
Staff of collector's office	5, 000	New boys' school (building)	20, 000
Door-keepers and porters	4, 000	St. Nicholas church (building)	5, 000
Management expenses	11, 480	Urinals and water-closets	4, 000
	40, 520		152, 000
Taxes (Government) on municipal property	4, 000	Total expenditure	598, 705
Repairs municipal property	5, 000	Balance	35, 136
Drainage	3, 000		633, 841

ZANTE.

REPORT OF CONSULAR AGENT CROWE.

As regards national taxation, an attempt has lately been made to assimilate that of the Ionian Islands with the other portion of the Hellenic Kingdom, but so far the attempt has proved abortive, owing principally (as I have been given to understand) to the great objection on the part of the peasantry to the manner in which the taxes on the main-land (more especially in the villages) are collected; consequently not only does almost the full weight of national taxation fall upon the producer, but the old system of an ad valorem duty, existing long before the annexation to Greece, continues on the staple productions, say currants, oil, and wine. On the first two named it is 18 per cent. and on the latter 6 per cent., with, in each case, an extra 2 per cent. road tax.

If I may venture an opinion, I think it is a great pity that the assimilation is retarded, more particularly as regards the "currant" growing portion of these islands, which in the aggregate produce only about 18,000 to 20,000 tons, as against 115,000 to 110,000 tons on the main-land, where not only the extent of soil admits of their annually bringing further land under cultivation, but where they have a fixed export duty on the article.

In these days, when every article almost is sold on the "firm offer" system and competition is so keen, it is obvious to the man of business at least that the "island currants" are at a great disadvantage, since not only have they to compete with an overwhelming production which pays a fixed duty, but the ad valorem duty is as a rule not charged on the actual price a merchant may have bought at, but on what the collector of customs considers the proper price of the week; consequently, if a merchant makes a "firm offer" of "island currants" and is unable to ship at once, it is impossible for him to reckon exactly what it will cost him; he therefore prefers to work in fruit from the main-land, which has a fixed duty, as he then knows what he is about.

There are articles of minor importance manufactured in this island which are taxed, such as soap, tiles, bricks, etc.; but excepting soap, which pays 5 leptas (5 cents of a drachma) per oke (=Eng. $2.12\frac{1}{2}$) export duty, the others only pay 2 per cent. road tax.

About 75,000 drachmas are annually collected as road tax, by which means new roads are extending to the various extremities of the island.

The total encashments of national duties (excluding road tax for the year 1886, which I believe may be taken as a tolerably fair average for one twelvemonth) amounted, as far as I have been able to ascertain, to 1,208,202 drachmas, viz:

	Drachmas.
General import duties	550,125
General export duties	508,710
Export duty on morea (main-land) currants brought here by craft and sold for exportation	147,843
Transit dues	1,524
Total	1,208,202

LOCAL TAXATION.

The municipality collects on an average annually about 200,000 drachmas, which is in excess of the expenditure.

This is principally derived by percentage levied on the export and import duties and other sources.

The expenses are:

	Drachmas.
Salaries of officials, police, etc.	50,000
Lighting the town by petroleum	12,000
Repairs of streets, sweeping same, drainage, etc.	20,000
Maintenance of hospital and orphanage	12,000
Assistance to destitute familes and other charities	5,000
Rents of two municipal free schools in town and salary of teachers	12,000
Interest and payment of sinking fund, etc., on municipal loans	49,900
Total annual expenditure	160,000
Reserve fund	39,100
	200,000

The nine country communes of the island are obliged to maintain fourteen free schools in the various villages, and for this purpose a tax

of 1½ per cent. is levied on all imports, amounting on an average to 60,000 drachmas annually.

HARBOR DUES.

These are principally derived from shipping and a tax of 1 per cent. on imports, the amount averaging about 50,000 drachmas annually.

A very considerable sum was expended two or three years ago in an attempt to dredge the harbor, but the success was very partial indeed, and until the existing pier is lengthened and other minor ones are constructed to prevent the influx of mud and sand, no permanent improvement can be anticipated.

The population of the entire island is about 44,000 souls, of which about 18,000 inhabit the town and the remainder the villages.

C. L. CROWE,
Consular Agent.

UNITED STATES CONSULAR AGENCY,
Zante, June 22 1887.

ITALY.

TAXATION IN ITALY.

REPORT OF CONSUL-GENERAL ALDEN.

The Italian system of administration is one of centralization. In this system there are only three financial units, namely: The state, the province, and the commune.

STATE TAXES.

Beginning with the state, the various kinds of imposts levied by the Government are briefly classified as follows: (1) Direct taxes; (2) taxes on consumption; (3) taxes on business; (4) miscellaneous (state salt and tobacco monopoly, etc.).

According to the Italian nomenclature, only those taxes which are levied on real estate, including buildings, and those levied on incomes (richezza mobile), are classed as direct taxes. All others are called indirect taxes.

The Government tax on land in Rome is 9.16 per cent. for every $100 of appraised value; in addition to this, land pays a provincial tax and a communal or municipal tax, the former of 3.20 and the latter of 4.89 per cent., as above, making a total of 17.25 per cent. on every $100 of appraised value.

The Government tax on buildings in Rome is 16.25 per cent. on every $20 of taxes due; in addition thereto come the provincial and municipal taxes, the former being 4.94 per cent. and the latter 7.53 per cent. for every $20 of taxes due; so that the total tax on buildings in Rome amounts to 28.72 per cent. on every $20 of taxes to be paid. Taxes on buildings are assessed on the value of income derived therefrom. But the gross amount on which the assessment is made is reduced by one-third for workshops and manufactories, and one-fourth for all other buildings.

The taxes on lands and buildings assessed by the Government, provinces, and communes vary considerably in different parts of the Kingdom. As far as the Government tax is concerned this inequality is the result of the methods used in the various independent Italian States prior to the foundation of the Kingdom of Italy. To establish one equal and uniform system for Government taxes on lands and buildings throughout the country Parliament passed an act March 1, 1886, known as the law "*della perequazione fondiaria.*" This law is now in course of elaboration, and is destined to work a great reform in this branch of the Italian tributary system. As to the provincial and communal taxes on lands and buildings, it must be remarked that, according to the law regulating provincial and communal taxation, the various provinces and communes are empowered, within certain limits, to assess taxes supplementary to the state taxes.

The tax on incomes is 12 per cent., and an additional sum amounting to one-tenth of this amount as a contribution to the war fund, making a total of 13.20 per cent. on the income.*

This tax is levied on all incomes derived from any source whatsoever, except from lands and buildings, the manner of assessing differing, however, according to the sources of income.

(*a*) Permanent incomes, or those derived from interest on loans, are taxed at their full amount.

(*b*) Temporary incomes accruing from the use of capital and the results of labor and industry are taxed six-eighths of their gross amount.

(*c*) Temporary incomes in which capital and labor are not employed, such as professional incomes, stipends, pensions, etc., are taxed at five-eighths of their gross amount.

(*d*) Incomes derived from stipends, pensions, etc., paid by the state are taxed at four-eighths of their gross amount.

In the above classification, incomes included under the heads *b*, *c*, and *d* are exempted from taxes whenever the amount of the income does not exceed $77.20, and they are reduced according to a graduated scale, $48.26, $38.60, $28.96, and $19.30, if not exceeding $154.40.

The taxes on consumption include: (1) Duties on imports and exports; (2) duties on articles of home consumption, wherever produced (octroi tax); (3) manufactures of beer, spirits, mineral waters, gunpowder, prepared chicory, beet sugar, etc.; (4) the state monopolies of salt and tobacco.

The limits of this report do not warrant the analyzing of the tariff on imports and exports, information concerning which is already in the possession of the Department.

The Government tax (octroi) on articles of home consumption, without regard to place of production, varies according to the size of the respective communes, which for the application of the tax, are divided into four classes, namely: First class, communes having 50,000 inhabitants and over; second class, from 20,000 to 50,000 inhabitants; third class, from 8,000 to 20,000; and fourth class, under 8,000.

*To certain communes there is a restitution of one-tenth of the amount collected for income tax within their limits.

The following is the tax (octroi) prescribed by the Government for the four classes of communes:

Items.	First-class communes, 50,000 inhabitants and over.	Second-class communes, from 20,000 to 50,000 inhabitants.	Third-class communes, from 8,000 to 20,000 inhabitants.	Fourth-class communes, under 8,000 inhabitants.
Drinkables.				
Wine and vinegar:				
In wood.....per 185 gallons..	$1.35	$0.96	$0.77	$0.68
In bottles.....per bottle..	.03	.02	.01	.01
Wine mixed with water.....per 185 gallons..	.67	.48	.38	.29
Must or new wine.....do...	1.06	.77	.57	.48
Grapes, in quantities exceeding 11 pounds, per 224.464 pounds.....	.67	.48	.38	.29
Alcohol and brandy:				
Not over 59°, in wood.....per 185 gallons..	1.54	1.54	1.54	1.54
Over 59°, and liquors, in wood.....do....	2.31	2.31	2.31	2.31
Alcohol and liquors, in bottles.....per bottle..	.04	.04	.04	.04
Cattle and meat.				
Oxen and bullocks.....per head..	7.72	5.79	4.83	3.86
Bulls and cows.....do....	4.83	3.86	3.28	2.70
Calves:				
Over one year.....do....	4.24	3.08	2.70	2.31
Under one year.....do....	2.31	1.93	1.54	1.15
Swine.....do...	3.08	2.31	1.93	1.54
Sheep, lambs, goats, and kids.....do ..	.10	.08	.06	.05
Butchers' meat..... per 220.464 pounds..	2.41	1.93	1.54	1.15
Salted meat and lard.....do....	4.83	3.86	3.28	2.70
Flour, bread, macaroni, and rice.				
Wheat flour, wheat bread, and wheat macaroni, per 220.464 pounds.....	.38	.35	.31	.27
Flour, bread, and macaroni of any other quality, per 220.464 pounds.....	.27	.23	.19	.18
Rice.....per 220.464 pounds..	.38	.35	.31	.27
Butter, oil, tallow, oleaginous seeds and fruit, etc.				
Butter, and vegetable and animal oils, not including medicinal oils.....per 220.464 pounds..	1.54	1.35	1.15	.96
Mineral oils and tallow.....do....	.77	.67	.57	.47
Oleaginous seeds and fruit.....do....	.38	.34	.29	.24
Sugar of all kinds.....do...	1.93	1.54	1.15	.77

The communes are also empowered, within certain limitations, to assess taxes supplementary to the state taxes; in fact, the supplementary taxes on articles of home consumption constitute one of the most important sources of revenue in the Italian communes. As relates to Rome, both the Government and supplementary communal taxes are hereinafter given under the head of communal taxation.

The following are the taxes levied by the Government on manufactures of beer, spirits, mineral waters, gunpowder, prepared chicory, beet sugars, and glucose:

Beer of all kinds and grades	per 185 gallons..	$0.12
Spirits, for each liter of pure alcohol	per liter..	.35½
Mineral waters	per 185 gallons..	.....
Gunpowder	per 220.464 pounds..	.....
Prepared chicory	do....	9.66
Beet sugars, first quality	do....	9.58
Beet sugars, second quality	do....	8.57
Glucose	do....	3.86

Tobacco and salt are monopolies of the state.

The prices of tobacco and salt are fixed by law. Snuff costs from

$1.93 to $2.89 per kilogram (2⅕ pounds), smoking tobacco from $1.54 to $7.72 per 2⅕ pounds, and cigars from $1.83 to $10.99 per 2⅕ pounds.

The following are the prices established for salt:

	To shopkeepers.	To the public.
Common salt ..... per 220.464 pounds..	$6.47	$6.76
Ground salt ..... do....	8.58	8.88
Superfine salt ..... do....	10.52	10.80
Rock salt for manufacturing purposes, and for live stock ..... do....	2.89	.....

The following are the Government taxes on business.

(*a*) *A succession tax proportioned to the amount of the inheritance or bequest.*—This tax is 1.20 per cent. for transmission of property or its use, made in cases of death when the transmission is in the direct line; 3 per cent. for transmissions in case of death between husband and wife; 5 per cent. for transmissions in favor of charitable institutions; 5 per cent. for transmissions between brother and sister; 6 per cent. for transmissions between uncles or aunts and nephews or nieces; 8 per cent. for transmissions between first cousins; 9 per cent. for transmissions between other relatives as far as the tenth degree, inclusive; 10 per cent. for transmissions to relatives beyond the tenth degree and all other persons.

(*b*) *Tax on donations.*—One and twenty-hundredths per cent. for donations *inter vivos* to next of kin in the direct line; 3 per cent. for donations and contracts relating to marriage acts; 5 per cent. for donations between brothers and sisters or to charitable institutions; 6 per cent. for the same between uncles and aunts, and nephews and nieces as far as the second degree; 8 per cent. to first cousins; 9 per cent. between other relatives as far as the tenth degree, inclusive; 10 per cent. between relatives beyond the tenth degree and all other persons.

(*c*) *Taxes on civil acts and contracts.*—This tax is exceedingly variable. The list of taxes under this head comprises no less than 106 forms of acts, and if a particular act does not fall under one of these forms it is liable to a tax assessed upon the article which is most akin to it in its nature. It must be remarked that all public and private acts, civil and commercial, judicial and extrajudicial, must be registered. The following will convey an idea of the application of this tax: A proportional tax of 4 per cent. is paid on alienations, bills of sale, orders for the delivery of property, cessions, retrocessions, and any other civil, judicial, or extrajudicial act by which the title to property or right to its use is transferred. The foregoing acts when relating to personal property, crops, interests pending, etc., are taxed 2 per cent. A graduated tax of 4 per cent. on contracts for renting or exchanging real estate, and 2 per cent. for the barter or exchange of personal property; 2 per cent. for acts relative to cessions of rents, loans and pensions; .65 per cent. on cessions and retrocessions of credit.; .65 per cent. for obligations of sums of money, maritime exchange, promises to pay, loans, openings of credits, and in fact all acts and contracts containing obligations for sums and values in business. A fixed tax of $1.93 on judgments declaring interdictions, rehabilitations, etc., when pronounced by a court of appeals; a fixed tax of 96 cents for like judgments when pronounced by a civil tribunal; a fixed tax of $1.93 on judgments of separation of husband and wife rendered by courts of appeal; a fixed tax of 96 cents on judicial ratifications of terms of composition in cases of failure; a tax of 38 cents on the first $193 and 19 cents on each additional $193 (graduated tax)

on judgments upon given sums upon contracts not reduced to writing. The above are cited only as examples. All these taxes are subject to an increase of two-tenths of the tax.

(*d*) *Stamp-tax.*—The stamp-tax is applied without distinction to all papers destined for civil, commercial, judicial, and extrajudicial purposes; it is proportional, graduated, or fixed.

The proportional tax is applied to all negotiable instruments and to the gross income of theatres, and other places to which entrance is had by ticket.

The graduated tax is applied to policies, promises to pay, orders for the delivery or rent of property, to bills of exchange, checks, orders for supplies and other commercial merchandise payable within the State.

In all other cases the fixed tax is applied.

The series of acts affected by this tax is exceedingly lengthy, but may be exemplified by the following:

For drafts and notes not extending beyond six months the tax is 1 cent up to $19.30; 2 cents from $19.30 to $38.60; 3 cents from $38.60 to $57.90; 6 cents from $57.90 to $77.80; 10 cents from $115.80 to $193; 19.3 cents from $193 to $386, and thus 1 cent for each additional $193. The tax is doubled for notes and commercial obligations running over six months.

Copies of private acts destined for registry, 5 cents. Powers of attorney, all acts, copies, and provisions in law, copies of public, civil, and extrajudicial acts, declarations, attestations, permits, and like written acts issued by the authorities and administrative offices, for whatever object intended, as well as certificates and attestations issued by religious courts or chancelleries, and clergymen, when intended for civil use, 10 cents. Private writings, contracts of all kinds, dissolutions of contracts, obligations, liberations, consents, and like stipulations; the originals and copies of notarial acts, the general and partial status of mortgage registries, extracts and copies of the same, as well as certificates of all kinds issued by mortgage offices; originals and copies of all judgments, decrees, acts, deliberations, and provisions necessary in law; judgment, forced or voluntary, before whatever tribunal, $19\frac{3}{10}$ cents. Originals and copies of powers of attorney, acts of consent and authorization by parents and ancestors in favor of descendents, husbands in favor of wife in cases in which such consent or authorization is required by law; copies of judgments sent in executive form, and of acts of bargaining, original acts of receipt of secret testaments, and the original of affidavit as to the deposit of holograph will, $38\frac{1}{2}$ cents.

Another long series of acts is subject to the stamp tax: Receipts, notices, and advertisements, printed or written, affixed in public places; railway and steamship tickets, checks for baggage and merchandise sent by freight or express, lottery tickets, auction sales, life certificates, certificates of citizenship and acts relative to the civil status of persons, petitions to public authorities, the record books of civil registrars, copies and extracts from the records of civil registrars, originals of acts relating to protests of exchange or checks, policies, certificates of shares and stocks, receipts covering operations of stock companies, bonds of the national debt, etc. For the circulation and negotiation of stocks, bonds, certificates, and obligations, by whomsoever issued, whether provisional or definitive, nominal, or payable to bearer, there is an annual tax of 1 per cent. The stamp tax is in all cases increased $\frac{2}{10}$ on the value of the tax as a contribution to the war fund.

(*e*) *Mortmain tax.*—Provinces, communes, charitable institutions, church wardens and other ecclesiastical administrations, monasteries,

seminaries, brotherhoods, art and trade associations, religious institutions and corporations are subject to an annual tax proportioned to the actual or estimated income from all real and personal estate belonging to them. This tax, called *mano morta*, takes the place of the succession tax, which, in the case of perpetual corporations, could never be applied.

The quota of the tax is .77 cents for each $19.30 of income subject to tax. To this tax are also subject all mortmain institutions in foreign countries which may have income accruing in Italy. Foreign charitable institutions, the administration of which is under the surveillance of government authority, pay a tax of 10 cents on each $19.30 of their taxable income.

Institutions are exempted from the mortmain tax whose patrimonial income does not produce a taxable income exceeding $57.90. Such institutions are also exempted from tax on buildings, or portions of same, used by them for offices or residences of clergymen. The mortmain tax is in all cases subject to the $\frac{2}{10}$ increase.

(*f*) *Mortgage tax.*—The registry and renewal, as well as annotations in the public registers of mortgages, are subject to a tax either proportional or fixed; for registry, 10 cents for every $19.30 of the sum inscribed; for mortgage renewals, 5 cents for every $19.30.

A fixed tax of 38 cents is applied to registrations or annotations for the postponement or cession of priority in mortgages, for cancellation or erasure, for reductions and hypothecary subrogations. The same fixed tax of 38 cents is exacted for the transcription of the acts and contracts that do not convey personal estate or rights susceptible of mortgage; also to all other inscriptions or annotations. The mortgage taxes are also subject to an increase of $\frac{2}{10}$.

(*g*) *Taxes for government concessions.*—Certain government concessions, acts, and provisions are subject to special taxes under this head. The following are the most important:

A fixed tax of $38.60 on concessions of citizenship; $9.66 for special permits for the recuperation of citizenship; and for declarations to renunciation of Italian citizenship, to government permission to accept employment or pensions from a foreign government, or to enter foreign military service, a fixed tax is exacted equal to the aggregate amount of the real estate or income tax paid in the preceding year by the applicant. A tax of $3.86 is levied on declarations of intention to establish domicile, and for royal decree authorizing change of family name. For authorization to take additional family names the tax is $38.60.

For transcription in the records of the civil registrar of royal decrees for the concession of titles of nobility, or for the authorization to accept such from foreign powers, a tax is levied equal to twice the sum of the direct imposts due from the person interested in the preceding year. However, the minimum in each case is $386. For the concession, recognition, or approval of new coats of arms of nobility is paid a tax of $96.50, and $9.66 for authorization to use foreign decorations and knightly honors.

The list of government concessions upon which taxes are levied is very lengthy. Some of these concessions include authorizations instituting boards of commerce, inscription on the rolls of public brokers, the right to divert and use water-courses, establish mills or other buildings on the same, to occupy frontage on the sea-coast, to establish public agencies, pawn-shops, theaters, the issue of passports, permission to carry fire-arms, annual permission to hunt, etc.

PROVINCIAL TAXATION.

The second unit in the Italian system of taxation is the province. It may be observed that the Kingdom is divided into sixty-nine provinces.

The chief source of provincial revenue, having a tributary character, consists of supplementary taxes to the state taxes on lands and buildings.

In the Province of Rome this supplementary provincial tax is as follows: On lands, 3.20 per cent. on every $100 of appraised value of property taxed; on buildings, 4.94 per cent. on every $20 of taxes to be collected.

The provinces are further empowered by law, within certain limits, to impose tolls, a scholastic tax for schools supported by them, and taxes for the keeping of archives and records. These are all small and unimportant taxes, and vary according to localities.

COMMUNAL TAXATION.

Communal taxation is regulated by laws of the state, under which communes are empowered: (1) To assess taxes on provisions, drinkables, fuel, and illuminating fluids, building material, forage, etc. (2) To farm out, with right of working, public weights, public grain and liquid measures, and the privilege of letting public stalls and booths at times of fairs and markets. (3) To assess a tax for the occupation of public spaces and areas, etc. (4) To assess a tax on draught animals, beasts of burden, and dogs, when the last-mentioned animals are not used for guarding rural edifices or flocks. (Taxation under the four foregoing heads may not, however, exceed 20 per cent. of the value of the merchandise or interest taxed.) And (5) to assess taxes supplementary to the direct taxes of the state, which supplementary taxes can never exceed 50 per cent. of the taxes imposed by the Government.

Aside from the supplementary levies on state taxes, all other taxes are classified under two heads, known as: (1) Taxes discretionary to the communes. (2) Communal dues.

The following are included under the first head:

TAXES DISCRETIONARY TO THE COMMUNES.

(1) *Taxes on beasts of burden and draught animals.*—This tax is charged to the owners of horses, mules, donkeys, and all beasts of burden. It is divided into three categories. In the Commune of Rome they are as follows: (*a*) All animals used by private persons pay $1.15 per month. (*b*) All animals in public service, such as tram-ways, omnibuses, etc., pay 48 cents per month. (*c*) Animals for carts and drays, 19 cents per month.

(2) *Cattle tax.*—This tax is at the charge of owners of cows, bulls, oxen, and every kind of farm animal. Like the tax on horses and draught animals, it is per head. It is an annual tax. However, it is imposed on animals owned and in use at the beginning of each agricultural season. This impost is classified under thirteen heads. At Rome it is as follows:

Draught oxen	$0.77	Swine	$0.57
Draught buffaloes	.57	Sheep	.08
Cows and bulls	.96	Lambs	.08
Beef oxen and bullocks	.57	Goats	.12
Fatted buffaloes	.38	Asses	.38
Buffalo cows	.77	Mules	.77
Horses and mares	1.54		

(3) *Taxes on sales and industries.*—The municipality of Rome does not assess a tax under the head of sales. There is, however, a tax on industries and professions (which should not be confounded with the state income tax). It varies from $9.66 to $386, and is assessed on persons exercising industries and professions, according to the importance of the same.

(4) *Tax on rentable value.*—This is collected from persons having furnished houses or rooms to let. It is proportioned to the income therefrom. The municipality of Rome does not assess this tax.

(5) *Carriage tax.*—This is collected from owners of private and public vehicles of all kinds, used either in the transportation of persons or merchandise. In Rome it is as follows:

Four-wheeled vehicles seating 4 persons	per year	$5.79
Four-wheeled vehicles seating 2 persons	do	2.89
Livery stable carriages	do	2.31
Two-wheeled vechicles seating 2 persons	do	1.93

The above taxes are doubled for all vehicles bearing coats of arms and heraldic insignia.

(6) *Servant's tax.*—In Rome masters and employers are taxed per annum, as follows:

For each servant employed: male servants, $1.15; female servants, 48 cents.

(7) *Dog tax.*—The tax on dogs in Rome is $1.25 per annum for each animal; however, shepherd dogs engaged in watching rural property and flocks, are exempted from this tax.

(8) *Family tax.*—Rome does not assess a tax under this head. In those communes where it is imposed it is a fixed graduated capitation tax, families being classified according to their well-being and each adult male member is assessed.

(9) *Personal labor tax.*—Neither is this tax assessed at Rome. Where it is imposed it consists of an obligation for each head of a family, who, by reason of economical conditions, is exempted from certain other taxes, to furnish annually four days work for himself and for each able-bodied male member of his family, and each draft animal with its respective vehicle owned or worked by the family.

This personal labor tax, where enforced, may be substituted by cash payment. It was originally instituted for the improvement of country roads.

(10) *Tax on signs, show-cases, and awnings.*—This is collected from masters of stores, shops, and business places. In Rome all stores and business places having sign-boards, exterior show-cases, and awnings are divided into three classes and pay taxes per annum as follows:

		Signs.	Show-cases.	Awnings.
Most desirable localities	per square meter	$0.32	$0.63	$0.48
Less desirable localities	do	.21	.42	.32
Least desirable localities	do	.11	.21	.21

The following are known as communal dues:

(1) *Licenses for hotels, restaurants, cafés, drinking saloons, etc.*—In Rome these licenses are paid for at the rate of 5 per cent. on the amount of outlay for rent for the first year; for succeeding years the rate is one-tenth of the tax for the first year.

(2) *Verification of weights and measures.*—The municipality of Rome assesses no tax under this head.

(3) *Rent of booths and occupation of public spaces.*—The following are the taxes paid at Rome: Ten cents per square meter for space occupied per month at ordinary times; at fair times it is 20 cents per square meter for the occasion; in the open market place it is 77 cents per square meter for each six months. Kiosks and newspaper stands in the streets and public squares are assessed according to position from $1.93 to $11.58 per month.

(4) *Butchers' tax.*—Two kinds of taxes are levied under this head at Rome, viz, market tax and slaughter-house tax. All animals, except goats, destined for slaughter, go first to the cattle market and then to the slaughter-house, for both of which the taxes are obligatory. The following are the taxes paid at Rome:

	Market taxes.	Slaughter-house taxes.	Total.
Oxen and cows.....per head..	$0.20	$0.78	$0.98
Calves.....do....	20	43½	63½
Buffaloes.....do....	20	74	94
Buffalo calves.....do....	20	42½	62½
Sheep.....do....	03	15	18
Lambs.....do....	03	08	11
Swine.....do....	06	77	83
Goats.....do....	.....	06½	06½

(5) *Scholastic tax.*—In the Roman communal schools this tax is $1.93 per month both for boys and girls. (There is only one class of communal schools in Rome.)

(6) *Mortuary tax.*—The Italian cemeteries are, as a rule, owned and managed by the municipal authorities. The hearse service with fixed rates, is also a monopoly of the municipal authorities.

In Rome these mortuary charges are as follows:

Interment tax for well-to-do persons	$2.32
Interment tax for poorer persons	38
Interment tax for burial in private plots	5.21

There are four classes of hearses for adults, and two for children.

The municipal charges for the use of each hearse are:

For adults:		For children:	
First class	$96.50	First class	$48.26
Second class	48.26	Second class	23.16
Third class	23.16		
Fourth class	4.83		

Burial plots are sold by the municipality at the following rates: From 1 to 6 square meters, $14.47; 6 to 9 square meters, $19.30; 9 to 15 square meters, $38.60; 15 to 25 square meters, $57.90; 25 to 50 square meters, $96.50.

There is further a tax of $4.83 for the use of receiving vaults for a period of three months.

(7) *Tolls.*—The Roman municipality owns two toll bridges, on which are exacted 1 cent for each pedestrian and 5 cents for each vehicle.

(8) *Civil registrar's acts.*—All original documents are furnished gratis. Certified copies pay fixed fees varying from 10 cents to 38½ cents.

(9) *Arbitration.*—The items constituting this tax are not at hand.

(10) *Miscellaneous.*—Under this head the municipal authority assesses an annual water tax on three separate water supplies, the assessment

varying from $4.15 to $6.22, according to the desirability of the water, furnished in 1-inch pipes. However, one of the best water supplies of the city has been ceded to a private stock company for a long term of years.

The following is the octroi or internal consumption tax for the city of Rome.

In a parallel column is given the Government tax for the purpose of showing the total tax paid at Rome on the various articles.

(Where this mark .... is used it signifies that there is no tax.)

Articles.	State tax.	City tax.	Total.
Drinkables.			
Wine and vinegar:			
In wood, demijohns, and flasks, per 185 gallons	$1.35	$0.67	$2.02
In bottles, per bottle	.03	.01½	.04½
Wine mixed with water, per 185 gallons	.67	.34	1.01
Must, or new wine, do	1.06	.19	1.25
Grapes, in quantities exceeding 11 pounds, per 220.464 pounds	.67	.34	1.01
Alcohol and brandy:			
Not over 50°, in wood and demijohns, per 185 gallons	1.54	.77	1.31
Exceeding 50°, and liquors in wood and demijohns, do	2.31	1.15	3.46
Alcohol, brandy, and liquors in bottles, per bottle	.04	.02	.06
Beer:			
In wood, per 185 gallons	.....	.57	.57
In bottles, per bottle	.....	.02	.02
Mineral waters, per 185 gallons	.....	.38	.38
Meat.			
Oxen and steers (live weight), per 220.464 pounds	2.41	.19	2.60
Bulls and cows (live weight), do	2.41	.10	2.51
Calves:			
Over 1 year, per head	4.24	2.12	6.36
Under 1 year, do	2.31	1.15	3.46
Buffaloes (live weight), per 220.464 pounds	2.41	.....	2.41
Kids (live weight), do	2.41	.38	2.79
Sheep and goats, per head	.10	.....	.10
Lambs (live weight), per 220.464 pounds	2.41	.....	2.41
Fresh butcher's meat, beef, mutton, and pork, do	2.41	1.06	3.47
Swine, do	1.93	.96	2.89
Meat, salted and smoked, however prepared, do	4.83	1.73	6.56
Lard, do	4.83	.....	4.83
Capons, geese, and pea-fowl, each	.....	.06	.06
Hens and domestic ducks, do	.....	.03	.03
Fatted fowls and pigeons, do	.....	.01½	.01½
Poultry, per 220.464 pounds	.....	3.47	3.47
Game of all kinds, except when brought in in quantities not over 6 pounds by hunters carrying guns and furnished with a hunting license, per 220.464 pounds	.....	4.83	4.83
Provisions.			
Wheat flour, with bran, per 220.464 pounds	.38	.43	.81
Wheat flour, extra fine, wheat meal, grain pulverized or prepared for use in soup, or making macaroni, per 220.464 pounds	.38	.67	1.05
Flour, bread, and macaroni of all other kinds, do	.27	.14	.41
Rice, and rice flour, do	.38	.38	.76
Dried fruits, not elsewhere included, except raisins and Muscatel grapes, do	.....	1.06	1.06
Oranges and lemons, do	.....	.96	.96
Chestnuts, fresh, unshelled, do	.....	.29	.29
Mushrooms:			
Fresh, do	.....	.93	.96
Dried, do	.....	2.89	2.89
In oil, also truffles and the like in oil, do	.....	3.86	3.86
Cheese:			
Parmesan, stracchino, gorgonzola, and sbrinzo, and the like made from milk, per 220.464 pounds	.....	3.08	3.08
Salted, *cacio cavallo*, and marzeline, smoked, do	.....	2.31	2.31
Fresh, do	.....	1.15	1.15
Butter, fresh, salted or cooked, do	1.54	.77	2.31
Milk and cream, do	.....	.19	.19
Eggs of hens, turkys, ducks, and geese, do	.....	.77	.77
Fish:			
Fresh and shellfish, do	.....	1.54	1.54
In oil and vinegar, in tubs, do	.....	1.93	1.93
Of all kinds preserved in vessels, of metal or crockery, including *caviar*, per 220.464 pounds	.....	3.86	3.86
Fish, salted, dried, and smoked, per 220.464 pounds	.....	.96	.96

Articles.	State tax.	City tax.	Total.
Provisions—Continued.			
Mustard, fruit, and vegetables preserved in oil, salt, vinegar, brandy, and liquors, per 220.464 pounds		$3.08	$3.08
Honey:			
Not refined ..... per 220.464 pounds		.57	.57
Refined ..... do		.87	.87
Glucose, liquid and solid, and other vegetable sirups ..... do		1.54	1.54
Sweet cakes (extra fine), preserved or candied fruit and the like, extracts of meat, preserves of all other kinds, either for drinking or seasoning, chocolate and the like ..... per 220.464 pounds		5.78	5.78
Sweet cakes (ordinary), which are made chiefly of flour ..... do		1.93	1.93
Tomato sauce ..... do		2.89	2.89
Oils, fatty substances, oleaginous seeds, and soap.			
Oils, vegetable and animal, of all kinds ..... per 220.464 pounds	$1.54	.77	2.31
Oil, washed, not suitable for human food, nor for burning ..... do	1.54	.....	1.54
Mineral oil ..... do	.77	.38	1.15
Oleaginous fruits and seeds, such as olives, flax seed, nuts, almonds, and the like ..... per 220.464 pounds	.38	.19	.57
Wax:			
Animal and vegetable, crude ..... do		1.15	1.15
White, prepared ..... do		2.31	2.31
Stearine, paraffine, margarine, and spermaceti ..... do		1.15	1.15
Tallow, crude and refined ..... do		.77	.77
Soap:			
Common ..... do		.57	.57
Toilet, perfumed ..... do		3.86	3.86
Groceries.			
Sugar ..... per 220.464 pounds	$1.93	$0.57	$2.50
Coffee and pulverized mustard ..... do		1.35	1.35
Cloves and cinnamon ..... do		1.54	1.54
Pepper ..... do		1.15	1.15
Cocoa, pure and mixed ..... do		1.15	1.15
Vanilla and vanilla beans ..... do		5.78	5.78
Tea, all qualities ..... do		4.83	4.83
Anise seed, cumin, coriander, and fennel ..... do		1.15	1.15
Combustibles.			
Firewood ..... per 220.464 pounds		.04	.04
Charcoal and the like, anthracite coal and coke ..... do		.08	.08
Lignite and peat ..... do		.05	.05
Candles and torches of wax, yellow and white ..... do		2.89	2.89
Stearine, margarine, paraffine, and spermaceti ..... do		2.89	2.89
Tallow ..... do	.77	.29	1.06
Matches:			
Fine, of wax and stearine ..... do		3.86	3.86
Common, of wood ..... do		.96	.96
Forage.			
Oats, lupins, barley, carub-beans, and other vegetables, entire or crushed, per 220.464 pounds		.29	.29
Hay, naturally or artificially dried ..... per 220.464 pounds		.19	.19
Herbs of whatever sort for forage, not including dogs-grass ..... do		.10	.10
Straw of wheat, barley, oats, etc., and whatever product for bedding for horses, per 220.464 pounds		.02	.02
Building materials.			
Slaked lime, slaked plaster, and prepared plaster in cakes, artificial stone, hydraulic and powdered lime ..... per 220.464 pounds		.04	.04
Cement ..... do		.10	.10
Lime, unslaked, calcareous stone, and crude plaster ..... do		.05	.03
Bricks and tiles:			
Polished, Marseilles size ..... per 100		.15	.15
Rough, small ..... do		.02	.02
Rough, large dimensions ..... do		.03	.03
Squared for pavements, not exceeding 25 centimeters per side ..... do		.05	.05
Squared for pavements, exceeding 25 centimeters per side ..... do		.07	.07
Cornices and molded terra-cotta ornaments ..... do		.38	.38
Terra-cotta pipes and roofing tiles ..... do		.12	.12
Pozzolano, tufo stone, materials for wall building of all kinds, stones and rocks for walls and foundations and the like ..... per cubic meter		.05½	.05½
Slate ..... per 220.464 pounds		.03	.03
Marble:			
Rough in blocks ..... per cubic meter		1.15	1.15
In slabs not exceeding 7 centimeters in thickness ..... do		.15	.15
Sculptured, modeled, polished, or otherwise wrought, per 220.464 pounds		.34	.34

Articles.	State tax.	City tax.	Total.
Building materials—Continued.			
Marble—Continued.			
In paving blocks, sawed only, and not exceeding 40 centimeters square, per 220.464 pounds		$0.05	$0.05
Exceeding 40 centimeters square, per 220.464 pounds		.08	.08
Chippings of, and other stones, per square meter		.10	.10
Artificial, for pavements, not exceeding 40 centimeters square, polished, per 220.464 pounds		.16	.16
Not exceeding 7 centimeters in thickness, per square meter		.07	.07
Granite, travertine, and inferior stones for building purposes:			
In blocks, rough, per cubic meter		.48	.48
In slabs, small, not exceeding 15 centimeters in thickness, per square meter		.10	.10
Sculptured, modeled, polished, or otherwise wrought, per 220.464 pounds		.05	.05
Asphaltum, per 220.464 pounds		.10	.10
Terra-cotta, glass, and the like.			
Mirrors, and glasses for mirrors, per 220.464 pounds		5.78	5.78
Panes of glass and crystal, of all thicknesses, not exceeding 1 square meter of surface, per 220.464 pounds		2.89	2.89
Articles of glass and crystal for whatever use, not including dark colored bottles and white glass flasks, per 220.464 pounds		.77	.77
Ordinary terra-cotta in vases, kitchen ware, and toys, and miscellaneous articles, all of the same material, per 220.464 pounds		.15	.15
Common terra-cotta, colored, glazed, or varnished, do		.38	.38
Pottery and majolica ware, in vases, kitchen articles, toys, and miscellaneous articles, however wrought, per 220.464 pounds		.96	.96
Porcelain, white, painted, or gilded, do		2.31	2.31
Chimney pieces and stoves in terra-cotta, and parts thereof, and other terra-cotta articles not elsewhere included, per 220.464 pounds		.77	.77
Wood, furniture, and metals.			
Wood:			
Rough, logs of all kinds with the bark on, per ton		.29	.29
Wrought in common ways, do		3.86	3.86
Sawed or squared, do		.29	.29
Planed in any manner or form, do		.43	.43
Stagings for buildings (ordinary wood), do		9.66	9.66
Other wood, and wooden furniture, rough or finished, do		15.44	15.44
Pewter and lead in blocks, lead, pewter, and zinc in squares, or bars, or wire, per 220.464 pounds		.29	.29
Pewter, lead, and zinc, wrought, for building use, do		.38	.38
Bronze, brass, and copper, wrought, for building use, do		.96	96
Iron of first fabrication, rolled in bars, etc., of whatever form or diameter, and steel, for the same use, per 220.464 pounds		.05	.05
Iron joists, do		.10	.10
Iron of second fabrication, roof girders, oxydized in zinc, and steel for building purposes only, per 220.464 pounds		.38	.38
Cast-iron, however wrought, for building purposes only, do		.04	.04
Sheet-tin, and tinned iron girders, do		.19	.19
Lead in shot, do		.38	.38
Miscellaneous.			
Snow and ice, per 220.464 pounds		.12	.12
Perfumery, do		7.72	7.72
Paper hangings, do		1.35	1.35
Paper:			
For printing, writing of all kinds, drawing, gilded, silvered, colored, and paper boxes, not including paper used by the government in its offices, per 220.464 pounds		.48	.48
Printing, for newspapers, per 220.464 pounds		.10	.10
Wrapping, blotting, and pasteboard, do		.10	.10

The following are the communal taxes at Rome, supplementary to the state taxes on the manufacture of spirits, beer, and mineral waters:

Alcohol and brandy exceeding 59°, and liquors	per 185 gallons	$1.15
Alcohol and brandy not exceeding 59°	do	.77
Beer	do	.57
Mineral waters	do	.38

THE COLLECTION OF TAXES.

The only taxes collected directly by the Government are the duties on imports and exports, and the taxes on business. Other direct taxes are collected in the following manner: The public offices or administrations prepare the tax lists, and their collection is farmed out for periods of five years to private enterprises or associations called *Esattorie e Ricevitorie delle Imposte Dirette* (exactors and receivers of direct taxes). The cost of collections under this system varies considerably in the different parts of the kingdom. These associations receive a commission on the amounts collected; this commission is not paid by the Government, but is added to the amount of taxes to be collected, and is paid by the tax payer. At Rome this commission on state taxes is 42 cents per $20 of taxes due. The right to collect taxes is in some cases even purchased from the Government.

In like manner the collection of direct taxes of provinces and communes are usually farmed out. The collectors of direct taxes on account of the province of Rome now add to the charge of the tax payer 42 cents for every $20 of taxes due. For the direct taxes collected for the municipality of Rome the rate is 29 cents for every $20 of taxes due. The cost to the municipality of Rome for the collection of its indirect taxes is 14 cents for every $20 of taxes due, also 4 per cent. of amounts collected as arrearages. This rate of 4 per cent. on arrearages is equal for the whole kingdom.

It must be remarked that the state octroi tax, or tax on internal consumption, is usually collected by the communes. The Government as a rule assesses the communes for fixed sums per year, for periods of five years. Then the communes in their turn either collect the tax by their own agents, or farm it out to individuals or companies.

Tobacco and salt being state monopolies the prices are fixed by law. The shops for their sale are divided into two classes, those of the first class are sold by the Government at auction on the payment of an annual quota, those of the second class are given gratuitously to a special class of persons, such as soldiers and employés who have completed their term of service, and the widows of the same. These shop-keepers sell salt and tobacco at a small advance, likewise regulated by law, over the prices they pay to the Government. Lotteries are also a monopoly of the Government. As to the sale of tickets the Government derives a considerable revenue from the same. Lottery agents receive a commission on the amounts of their sales. The state lotteries are drawn weekly throughout the year.

From the information herein submitted it will be seen that taxation bears very heavily on the Italian people. The great bulk of revenue collected goes to support the service of the national debt, the army, the navy, and public works, the latter comprising railway constructions, roads, improvements in harbors, etc.

WILLIAM L. ALDEN,
Consul-General.

CONSULATE GENERAL OF THE UNITED STATES,
Rome, September 23, 1887.

TABLE 1.—*Revenue from taxation in Italy—state, provincial, and communal.*

District.	State. Receipts turned into the treasury during the fiscal year ending June 30, 1886, on account of taxes.*					
	Direct taxes, not including the retention on income tax.	Taxes on business, not including railway taxes and legation and consular fees.	Internal consumption tax.	Lotteries.	Total.	Quota per inhabitant.
	Lire.	*Lire.*	*Lire.*	*Lire.*	*Lire.*	*Lire.*
Piedmont and Liguria	46, 142, 745. 31	31, 284, 720. 43	54, 937, 676. 46	7, 884, 132. 57	140, 249, 274. 77	34. 16
Lombardy	49, 925, 602. 22	22, 159, 337. 95	55, 953, 780. 47	5, 294, 643. 31	133, 333, 363. 95	35. 55
Venetia	25, 394, 063. 34	12, 746, 206. 80	33, 221, 248. 48	5, 174, 313. 52	76, 535, 827. 14	26. 63
Emilia	24, 506, 510. 63	11, 343, 684. 00	30, 570, 041. 50	4, 020, 042. 05	70, 440, 278. 18	29. 25
Tuscany	26, 167, 335. 46	13, 802, 763. 68	31, 352, 068. 43	5, 986, 902. 83	77, 309, 070. 40	37. 50
Marches and Umbria	11, 667, 413. 45	6, 263, 770. 48	12, 795, 428. 05	1, 123, 503. 47	31, 850, 115. 45	20. 49
Latium (Rome)	22, 740, 991. 13	19, 241, 063. 68	19, 797, 103. 09	5, 113, 420. 66	66, 892, 578. 56	77. 35
Neapolitan provinces	65, 534, 930. 41	38, 818, 112. 84	84, 978, 151. 90	27, 190, 447. 13	216, 521, 642. 28	28. 04
Sicily	20, 216, 664. 60	16, 760, 109. 27	20, 341, 275. 17	11, 590, 876. 96	68, 808, 926. 00	23. 45
Sardinia	5, 813, 426. 39	2, 959, 037. 34	4, 854, 401. 60	114. 00	13, 626, 979. 33	20. 02
Total	298, 109, 682. 94	175, 378, 806. 47	†348, 701, 170. 15	73, 378, 396. 50	895,568, 056. 06	30. 93

District.	Grand total, including retention on income tax, railway taxes, legation and consular fees, custom-house receipts, and maritime dues.	Quota per inhabitant.	Provincial.		Communal.		Total quota per inhabitant.
			Ordinary revenue from taxation after deducting patrimonial income.‡	Quota per inhabitant.	Actual revenue from taxation after deducting patrimonial income.‡	Quota per inhabitant.	
	Lire.	*Lire.*	*Lire.*	*Lire.*	*Lire.*	*Lire.*	*Lire.*
Piedmont and Liguria	221, 456, 431. 48	53. 94	9, 870, 328	2. 40	46, 617, 838	11. 36	67. 70
Lombardy	163, 504, 671. 11	43. 60	9, 614, 368	2. 56	39, 117, 686	10. 43	56. 59
Venetia	100, 253, 433. 82	34. 88	6, 765, 185	2. 35	29, 235, 333	10. 17	47. 40
Emilia	74, 027, 998. 71	30. 73	7, 767, 904	3. 23	26, 091, 794	10. 83	44. 79
Tuscany	104, 244, 074. 34	50. 56	5, 699, 056	2. 76	29, 281, 153	14. 20	67. 46
Marches and Umbria	43, 195, 941. 31	27. 79	4, 194, 656	2. 70	18, 112, 369	11. 65	41. 84
Latium (Rome)	151, 437, 003. 04	175. 10	2, 831, 489	3. 27	23, 071, 330	26. 68	205. 05
Neapolitan provinces	247, 705, 937. 99	32. 07	21, 204, 671	2. 75	65, 122, 430	8. 43	43. 25
Sicily	89, 999, 867. 50	30. 68	8, 989, 519	3. 07	30. 038, 169	10. 25	44. 00
Sardinia	15, 947, 087. 57	23. 43	2, 698, 743	3. 97	5, 504, 068	8. 09	35. 49
Total	§1, 211, 771, 560. 87	41. 85	79, 635, 819	2. 75	312, 212, 170	10. 78	5. 38

* From the "Annuario del Ministero delle Finanze," 1886-'87, "Statistica Finansiaria," page 352.
†In these figures are included the proceeds of the tobacco monopoly (lire 181,000,000) and the salt monopoly (lire 72,000,000.)
‡ From the "Annuario Statistico Italiano," 1886, page 551.
§ The custom-house receipts included herein amounted to Lire 202,176,723.

TABLE 2.*—*Taxation in Italy. Comparative table, showing government receipts therefrom and expenses on account of same for the fiscal year ending June 30, 1886.*

Items.	Receipts.	Expenses.
Direct taxes:	*Lire.*	† *Lire.*
Real-estate tax { on lands	120, 497, 277	
Real-estate tax { on buildings	66, 113, 275	17, 875, 153
Income tax	206, 686, 418	
Indirect taxes:		
Customs duties and maritime dues	202, 176, 723	
Internal-consumption tax	79, 336, 068	‡ 35, 951, 441
Tax on manufactures	25, 010, 089	
Tax on business, stamp tax, registry tax, mortmain tax, etc	175, 440, 441	7, 689, 436
Monopolies:		
Proceeds of tobacco monopoly	181, 766, 677	52, 053, 000
Proceeds of salt monopoly	72, 247, 355	
Proceeds of lottery monopoly	79, 586, 771	51, 795, 670

* The unimportant discrepancies between certain items in tables 1 and 2 exist in the original official statistics.

† This sum includes wages of inspectors and agents and 10 per cent. on certain amounts relating to "income tax" paid over to certain communes.

‡ This sum includes also the amount of fire 10,000,000 paid over to the city of Naples on account of its internal-consumption tax; Naples being the only commune in the Kingdom not operated under the system of collecting internal-consumption tax described.

TABLE 3.—*Government revenue in Rome. Amounts collected in* 1884 *from chief items of income.*

Items of income.	Amount.	Quota per inhabitant.
Real-estate tax:	*Lire.*	
Lands	1, 213, 758. 73	3. 74
Buildings	4, 568, 286. 50	14. 07
Income tax	10, 411, 936. 04	32. 07
Succession tax	1, 274, 761. 68	3. 93
Registry tax	4, 783, 749. 92	14. 73
Stamp tax	4, 901, 346. 82	15. 10
Customs duties	3, 486, 646. 00	10. 74
Internal-consumption tax	5, 300, 000, 00	16. 32
Tobacco monopoly		
Salt monopoly	1, 254, 615. 00	3. 86
Lottery monopoly	5, 105, 127. 00	15. 72
Posts	2, 279, 072. 31	7. 02
Telegraphs	851, 270. 00	2. 62
Telephones	20, 079. 00	0. 06

TABLE 4.—*Revenue and expenditures of the municipal administration of Rome for the year ending December* 31, 1885.

Revenue.	Amount.	Expenditures.	Amount.
Cattle-market and slaughter-house tax	*Lire.* 403, 625. 74	Patrimonial obligations and extinction of loans and debts	*Lire.* 5, 595, 409. 54
Tax on horses, mules, and dogs	311, 696. 35	Expenses of administration	1, 867, 848. 20
Water tax	98, 602. 26	Expenses of internal-consumption or octroi service	884, 752. 34
Taxes on lands and buildings	3, 064, 632. 36	Government assessment for internal-consumption tax	5, 400, 000. 00
Internal-consumption or octroi tax	15, 027, 265. 05	Expenses for tribunals, pretors, etc	90, 026. 95
Cattle tax	283, 131. 27	Cleaning streets	612, 399. 35
Receipts from loans	591, 924. 60	Lighting streets	837, 394. 09
Various licenses and permits	186, 628, 33	Fire companies	184, 420. 97
Cemetery taxes and re-imbursement for works	240, 712. 89	Police service	1, 039, 203. 65
Patrimonial income	295, 070. 85	Cattle market and slaughter-house	117, 388. 12
Miscellaneous receipts	6, 938, 360. 14	Public works	2, 253, 770. 51
Licenses for hotels, cafés, drinking saloons, etc	52, 714. 00	Public instruction, museums, etc	1, 851, 662. 15
Participation in government income tax	135, 000. 00	Religious worship and cemeteries	313, 338. 44
Public instruction	147, 968. 15	Sanitary and charitable purposes	1, 795, 471. 66
Tax on servants	92, 197. 39	Public celebrations and theaters	364, 148. 15
		Miscellaneous	4, 358, 449. 00
Total	27, 869, 535. 38	Total	27, 565, 683. 12
Quota per inhabitant	85. 87	Quota per inhabitant	79. 89

FLORENCE.

REPORT OF CONSUL DILLER.

I confine myself to the system of taxation in vogue in the immediate district or commune of Florence.

Taxes may be said to be divided into two principal classes, those levied for the support of the Government or Kingdom, and those for the support of the commune. The latter embrace that province as well, to which may be added the taxes for municipal purposes and those levied by the chamber of commerce.

The government taxes, which are fixed at 13.20 per $100, or Italian lire 500, are direct, and embrace taxes upon income of whatsoever nature and kind. In addition, the Government shares in the indirect taxes, as will appear further on. Those of the second class are indirect, and are based upon the proceeds of any trade, profession, or industry employed within the limits of the commune of the municipality.

TAX ON LAND AND BUILDINGS.

The taxes on land and buildings vary in amount in each commune in Italy, and are based on the budget of necessary expenses declared on the 31st day of December in each year, payable in six installments, viz: February 10, April 10, June 10, August 10, October 10, and December 10. Said taxes not being paid within eight days after each installment falls due, a penalty of 4 cents on every dollar accrues on the amount unpaid.

In the commune of Florence land is taxed at the rate of $45.35 per $100, or Italian lire 500, on its net income, and is divided as follows: The Government receives $18.10, the commune $20.20, and the province $7.05.

Buildings are taxed at the rate of $37.95 per $100, or Italian lire 500, on net income, and divided as follows: The Government receives $16.25; the commune $16.10, and the province $5.60.

The family tax—(see Exhibit No. 1.)—This tax applies to all persons (not indigent) residing within the limits of the commune. A family is understood to represent several individuals bound by family ties and residing together. If members belonging to the family do not so reside they are subject to tax as individuals. Persons residing together, but not relatives, are taxed separately. This rule applies to boarding-schools, corporations, and in all cases where many persons live in the same building, but not in common. The object appears to be to make this an individual tax as far as practicable. Minors are not exempt.

Foreign nationalty is not ground of exemption (in a few exceptional cases) where the parties practice in the commune a profession, trade, industry, or whatever art, from which a revenue is derived, or have declared their intention of so doing. The imposition of the family tax upon American citizens permanently or temporarily residing in Florence and not engaged in business has been the subject of many complaints and the occasion of much correspondence and vexation to this consulate. I am, however, glad to report that, in nearly all complaints of this character, upon a proper and courteous representation of the facts in the case made from this office, the seizure of household goods for payment of this tax has been set aside and satisfactory replies made by the authorities. I have in all cases advised Americans temporarily or permanently residing here to pay all reasonable or just taxes for their comfort and protection, without calling upon the consul to redress unnecessary and frivolous complaints, thus destroying in a

great measure his influence with the authorities when important questions arise.

The employés of private or public institutions must pay the tax in the commune where their business offices are located.

Soldiers, sailors, or officers of the army or navy, and connected with permanent military or naval departments stationed within the limits of the commune, are liable to the same tax as civil employés.

Tax on business (see Exhibit No. 2).—In accordance with the law enacted August 11, 1870, each commune was empowered to levy a tax on all persons, both native and foreign, doing business or practicing a profession within its limits.

To carry into effect the said law the communes of Italy were divided in six classes, according to their population, viz: (1) Over 80,000 inhabitants, $60 maximum; (2) from 40,001 to 80,000, $50; (3) from 20,001 to 40,000, $40; (4) from 5,001 to 20,000, $30; (5) from 2,001 to 5,000, $20; (6) not over 2,000 inhabitants, $10.

The above tax is based on the kind and nature of the profession or business, the number of rooms occupied, the personnel employed, the income tax assessed for Government purposes.

No tax of this kind is levied upon salaries or wages of persons connected with the monopolies belonging to the Government, provided they do not deal in other than monopolized goods.

Persons omitting the declaration of the business in which they are engaged, or not furnishing exact details of the same, are liable to a fine varying from 40 cents to $10.

Tax on carriages, cabs, etc. (see Exhibit No. 3).—The tax on public and private carriages, and on servants is levied upon any one owning or driving carriages, or having persons in his or her service, without distinction whether the latter are fed and lodged by the owner employing them or not.

Wet nurses are free from this tax.

Application is to be made to the municipal authorities to drive a carriage, and whoever becomes proprietor of a carriage or takes persons into his or her service, is bound to make application accordingly to the municipal office within two weeks.

Foreigners residing in the commune have the same duty to perform.

Additional tax levied by the chamber of commerce of the city of Florence on business, etc.—The chamber of commerce, at Florence in pursuance of a royal decree, dated August 7, 1874, is empowered to levy upon natives and foreigners engaged in trade, professions, or industries a tax in proportion to the income derived from such trade, profession, or industry, based on the items of the Government income tax and subject to the same system of collection.

By virtue of said tax traders and dealers are placed in 15 classes, ranging in amount from 80 cents to $200, viz: (1) From $200 to $400 income, 80 cents; (2) from $401 to $600 income, $1.60; (3) from $601 to $800 income, $2.40; (4) from $801 to $1,200 income, $3.20; (5) from $1,201 to $1,600 income, $4.80; (6) from $1,601 to $2,000 income, $6.40; (7) from $2,001 to $2,400 income, $8; (8) from $2,401 to $3,200 income, $9.60; (9) from $3,201 to $4,000 income, $12.80; (10) from $4,001 to $5,000 income, $16; (11) from $5,001 to $6,000 income, $20; (12) from $6,001 to $10,000 income, $24; (13) from $10,001 to $20,000 income, $40; (14) from $20,001 to $100,000 income, $80; (15) from $100,001 and over income, $200.

Examining carefully the facts as presented by the official documents, it is difficult to say what particular lines of industry or classes of population are most affected. It is evident that all are seriously burdened.

Undoubtedly from the within figures the greatest pressure falls upon land. I find, upon inquiry, that notwithstanding the patient labor and economy of the agriculturist in Italy, the taxes on the product of the land are so great as to sometimes compel him to relinquish it. This applies only to the tenant, because it is the product and not the land itself which is taxed.

Next to the land taxation falls heaviest upon manufactures of sugar, grain, and other fabrics or industries dependent on the product of the soil. With reduced taxes on the income from land, many industries now merely existing by the most persistent economy would become flourishing, thus adding greatly to the revenue by increased production, and at the same time give employment to large numbers of willing workers. This applies with great force to the straw industry of Tuscany. A reference to the invoices issued from this consulate shows a marked decrease in amount of this industry within the last two years, one of the largest and oldest firms in Tuscany having failed within the preceding six months.

In connection with the estimates for the support of the municipal government of Florence, it is proper to say, that the excess of taxation for 1887 over the real necessities of the city, as will be seen by Exhibit No. 4, is the carrying forward of expenses incurred in improvements at the time Florence was the capital, and which still burdens her people. This pressure is gradually decreasing under a wise administration of the municipal authorities, the taxes on land and buildings levied for this purpose having been greatly lessened year after year. The 3 per cent. bonds issued by the city for the payment of this debt, have advanced from 49 lire in 1882 to 62 lire in 1887. This relieves in a measure, the native owners, but it must be said the family taxes have been considerably increased during the same period. This affects the foreign population especially, in increased price of living and other expenses.

ISAAC R. DILLER,
Consul.

EXHIBIT No. 1.—*Family tax.*

[Based on a unit of $100 or 500 Italian lire.—Expenses of collection 1 per cent. on amount of proportional tax.]

Classes.	Estimated income.	Unit on $100.	Actual tax.	Classes.	Estimated income.	Unit on $100.	Actual tax.
1	$20,000	$1,960	$392.00	23	$1,500	$2,069	$16.03
2	18,000	1,864	335.52	24	1,400	1,004	14.06
3	16,000	1,855	296.80	25	1,300	939	12.21
4	14,000	1,845	258.30	26	1,200	874	10.49
5	12,000	1,836	220.32	27	1,100	827	9.10
6	10,000	1,777	177.70	28	1,000	781	7.81
7	9,000	1,758	158.22	29	900	735	6.61
8	8,000	1,740	139.20	30	800	688	5.50
9	7,000	1,722	120.54	31	700	642	4.49
10	6,000	1,740	102.24	32	600	595	3.57
11	5,000	1,685	84.25	33	560	558	3.12
12	4,000	1,666	66.64	34	520	521	2.71
13	3,000	1,648	49.44	35	480	484	2.32
14	2,800	1,582	44.30	36	440	446	1.96
15	2,600	1,517	39.44	37	400	418	1.67
16	2,400	1,451	34.82	38	360	390	1.40
17	2,200	1,386	30.49	39	320	362	1.16
18	2,000	1,321	26.42	40	280	335	.94
19	1,900	1,274	24.21	41	260	321	.83
20	1,800	1,227	22.09	42	240	307	.74
21	1,700	1,181	20.08	43	220	302	.66
22	1,600	1,134	18.14	44	200	300	.60

The following are the various classes on which taxes are levied in the city of Florence:

EXHIBIT No. 2.—*Municipal tax on dealers and professions, etc.*

[The expenses of collection are 1 per cent. on amount of the proportional tax.]

Income.	Class.	Tax.	Income.	Class.	Tax.
Up to and over $10,000	1	$60.00	Up to—		
Up to—			$1,400	14	$7.00
$9,000	2	54.00	1,200	15	6.00
8,000	3	48.00	1,000	16	5.00
7,000	4	42.00	900	17	4.40
6,000	5	36.00	800	18	4.00
5,000	6	30.00	700	19	3.40
4,000	7	24.00	600	20	3.00
3,400	8	20.00	500	21	2.40
2,800	9	16.00	400	22	2.20
2,400	10	12.00	300	23	2.00
2,000	11	10.00	200	24	1.20
1,800	12	9.00	160	25	1.00
1,600	13	8.00			

EXHIBIT No. 3.—*Tax on public and private carriages and on servants.*

[Law August 11, 1870, regulation August 26, 1861. The expenses of collection are 1 per cent. on the amount of proportional tax.]

Public conveyances, omnibus, livery stable, and cabs	
With four wheels:	
Fixed time and destination	$4.00
Fixed destination only	2.40
In stable, fixed destination only	4.00
In square, fixed destination only	1.60
With two wheels:	
Fixed time and destination	2.00
Fixed destination only	1.20
In stable, fixed destination only	2.00
In square, fixed destination only	.80
Private carriages:	
Four wheels and coat of arms	10.00
Four wheels and without coat of arms	7.20
Two wheels and coat of arms	5.00
Two wheels without coat of arms	3.60
Male servants:	
With livery	2.00
Without livery	1.20
Female servants	.60

EXHIBIT No. 4.—*Estimated expense account of the city of Florence for* 1887.

[169,000 inhabitants in 1886.]

Taxable income, land and buildings	$2,450,774.78
Total amount of the city budget	2,201,265.51
Normal limit of the city tax	551,767.00
Excess over the same in 1887	714,256.00
Proportion of the city tax in 1887	1,266,023.00
Estimated family tax	90,000.00
Income from buildings belonging to the city	53,897.00
Aggregate taxes	1,479,075.40

NAPLES.

REPORT BY CONSUL CAMPHAUSEN.

Taxes in Italy are divided as follows: I. State or national taxes. II. Provincial taxes. III. Municipal taxes.

I. STATE TAXES.

State or national taxes imposed by the Government are: (1) Taxes on real estate, called direct taxes. (2) All other taxes, called indirect taxes.

Real estate for the purpose of assessing and collecting taxes is divided into (*a*) city property and (*b*) country property.

(*a*) City property pays taxes on three-fourths of the annual rents, issues, and profits, when it is let or demised, but when occupied by the owner, or when vacant, on three-fourths of the appraised valuation or rental; the tax is 10.25 per cent.

(*b*) Country property also pays taxes on three-fourths of the annual rents, issues, and profits, when demised, leased, or let, or when occupied by the owner or vacant, on three-fourths of the assessed or appraised valuation of rental; the tax is 24.13 per cent.

The taxes are paid in six equal rates, one every two months, at offices established in various parts of the respective districts, and the Government pays to collectors from 4 to 6 per cent. on the amounts collected, having regard to the extent, wealth, and population of the subdistrict.

(2) *Indirect taxes.*—Tax on contracts and transfers of real estate, every instrument, 4 per cent. of the purchase money; on contracts for the sale of personal estate, 2 per cent.; on contracts for the sale of vessels, ½ per cent.; on contracts for the use of water-power, 4 per cent.; on contracts for the sale of mortgages on real estate, 4 per cent.; on contracts for the sale of movables, 2 per cent.; on contracts for the sale of credits, ¾ per cent.

Power of attorney for the alienation of real estate, personal property, or revenue, 1½ per cent.; same for sale of credits, contracts for constructions, repairing or transport, or for the collection of duties, or land rents on premium, ½ per cent.

If the power of attorney refers to contracts for letting real estate or personal property, ¼ per cent.

For adjudication of income or personal property there is a fixed tax of 2 lire, and for the adjudication of credits, 0.65 lire.

On judicial sales of real estate at public auction, 4 per cent.; on the renting of land upon condition to plant it, 4 per cent.

On the sum paid for the redemption of real estate given on mortgage, 4 per cent.

On the sum to which the redeemer of the mortgage is entitled to, as partner in the sale, ¼ per cent.

For adjudication of income or personal property there is a fixed tax of 2 lire.

On redemption of real estate by the owner, 4 per cent. For renouncing the right of redemption on receiving an amount corresponding to the value of the property, 4 per cent.; the same without receiving any amount, 3 lire.

Exchange of real estate situate in foreign country or state, for land situate in the state, 4 per cent.

Exchange of personal property wherever existing, 2 per cent.

For the privilege given to the creditor by the debtor, of using the debtor's property till the extinction of the debt, 2 per cent.

For abandoning merchandise or other articles insured in maritime insurance offices, on the value of the articles, 2 per cent.

Dotal separations with satisfaction to the rights belonging to the wife by transmission to her of real estate belonging to the husband, 4 per cent. If with transfer of perpetual or life income, or personal property, 2 per cent. If with transfer of other credits, ¾ per cent. If with payment of money, ¼ per cent.

Cessions of income, pensions of every nature, whether perpetual or for life, cessions or retrocessions of credit, ¾ per cent.

On the payment of hereditary debts, executed by one of the heirs, on the portion of the debt owed by the heir, making the payment ¼ per cent.; on the other parts of the debt, ¾ per cent. On the payment of hereditary debts, made with his own money by the heir benefited, ¾ per cent.

On the sale of government bonds, the price of which is paid in cash, when the sale takes place by a notarial act, or private instrument, there is a gradual tax of 3 lire on the first 1,000 lire, and 1 lire on every additional 1,000 lire. Fractional parts in gradual tax are considered as full thousands, but from 1,000 lire upwards there is no tax on a fraction less than 100 lire.

On maritime exchange contracts and acknowledgments of debt, as on all other contracts on which a tax has not been fixed, ¾ per cent.

Conventions made between creditors and debtors before or after the latter's declaration of bankruptcy, ¾ per per cent.

Substitution of the military service on amount paid, ½ per cent.

Contracts of remuneration or indemnity for obligations to do work, or execute works of art, ¼ per cent.

The same for personal services as teachers of arts, trades, and schools, 1 lire.

Concessions of delay for the payment of debts if the amount has already been subjected to a tax, 3 lire.

If not, ¾ per cent.

Deposits made for the benefit of others, and to be collected at pleasure, for the release of the depositor, ¼ per cent.

Gratuitous deposits of sums and valuables with private parties not exceeding three years, gradual tax of 2 lire up to 1,000 lire, and 1 lire for every additional 1,000 lire.

Deposits with retribution and warranty, ¾ per cent.

Deposits of any number of documents in notarial offices or in the public or judiciary archives, 3 lire.

Agreements for the maintenance and support of persons not relatives and when it is not done as charity, ¼ per cent.

Same for feeding animals for a certain period, ¼ per cent.

Redemption of real estate by the seller or his heirs when only a promise of payment is made, ½ per cent.

Institution of income, perpetual or life pensions by payment of sums or cession of credits and valuables, 2 per cent.

Letting real or personal property for a determinate time, ¼ per cent.

Recision of a contract by payment of a sum, 2 lire for the first 1,000 lire, and 1 lire for every additional 1,000 lire.

Agreement between lessor and lessee for the reduction of rent, 2 lire.

Concession for water rights for a time certain, ¼ per cent.

Contracts for the collection of duties and income, ¼ per cent.; the same if a premium is received for collecting, ½ per cent.; contracts for constructions, repairings, keeping in repair of works, ½ per cent.

On bonds given for third parties there is a gradual tax of 2 lire on first 1,000 lire, and 1 lire on every additional 1,000 lire.

Conventional and gratuitous dispositions of real and personal estate, the same as before.

On bonds required by law for exercising commercial industries, 3 lire; on bonds given by state officials, notaries, and other professionals, 2 lire; assignment of mortgages, 3 lire.

Receipts, and every other act for the release of sums or valuables, ¼ per cent.

Redemption of real estate by public act, ¼ per cent.

Procés-verbal executed by a notary public, 1 lire.

Stipulations either to end or to prevent a lawsuit, 5 lire.

Consent for the cancellation, reduction, or restriction of mortgage inscriptions, from 2 to 3 lire.

Discharges for surrender of sums or valuables deposited in public offices, 2 lire.

Constitution of dowry, 2 lire on the first 1,000 lire, and 1 lire on every additional 1,000 lire.

Simple matrimonial contracts, 2 lire.

Constitution of patrimony of priests, 10 lire.

Adoptions, 50 lire; same of foundlings, 1 lire.

Legitimation of natural children, 1 lire.

Emancipation, 10 lire; testament, 5 lire; opening of secret wills, 3 lire; inventory, 3 lire.

Constitution of partnerships, gradual tax of 5 lire on first 1,000 lire, and 1 lire for every additional 1,000 lire.

Declaration of the prorogation of the societies statutes, 10 lire; admission of a new member, 5 lire; augmentation of the capital of the society, 2 lire on first 1,000 lire, and 1 lire for every additional 1,000 lire.

Dissolution of partnership, 10 lire.

Division of real estate or real and personal property, 2 lire on first 1,000 lire, and 1 lire on every additional 1,000 lire; division of valuables, one-half the above tax; every other division, 5 lire.

Power of attorney with power to collect money, ¼ per cent.; if the collection consists of an annual sum and the mandate is to last more than 10 years, 1½ per cent.; ratification of preceding acts or contracts, 3 lire; renewal of contracts become void, 3 lire; acquiescences or adhesions, 2 lire; annulment of contract, etc., 3 lire; compromises and nomination of experts, 3 lire.

Donations of real and personal estates, 1½ per cent.; the same made by husband to his wife, or *vice versa*, 3 per cent.; the same between brothers and sisters, 5 per cent.; same between uncles and nephews, 6 per cent.; same between cousins, 8 per cent.; same between any other relations to the tenth degree, 9 per cent.; same between relations more distant, 10 per cent.; donations accompanied by possession, 10 lire.

Contracts for gratuitous loans, 3 lire.

Concessions of the use of the real estate, 10 lire.

Duplicates of private acts, 1 lire.

Authentication of acts made by notaries, 1 lire; authentication of signatures, from 50 centimes to 1 lire.

Transmission of property on account of death, 1½ to 10 per cent.; verbal process to affix the seals on property and removing the same, 1 lire.

Sentences of separation of husband and wife, 10 lire; voluntary separation of same, from 5 to 10 lire; sentence of separation of the dowry from the property belonging to the husband, from 5 to 10 lire; the same for the separation of the property of a deceased person from that of his heir, 2 to 10 lire. The tax on sentences defining the merits of a lawsuit ranges from 2 to 10 lire. Sentences given by the abrogating court, 10 to 20 lire.

Stamp tax.—This tax must be paid indiscriminately on all papers destined for civil and commercial transactions. The stamp tax is divided in proportional, gradual, and fixed. The proportional is applied to the circulation of bills having legal course and to the income or net receipts of the theatres. On the former $\frac{1}{10}$ per cent. The gradual tax is applied to promises of payment, contracts for house renting, and all other acts concerning payments of money or recognition of debts resulting from commercial operations, and ranges from 2 to 6 lire, according to amount. Bills of exchange running less than six months require a stamp of from 5 centimes to 5 lire, according to the amount. On corresponding amounts of bills running over six months the stamp tax is double the former.

Tax on insurance.—The tax on maritime insurance at fixed premiums, or on the principal of mutual insurance, ranges from 5 centimes to 1.50 lire on every 1,000 lire insurance, according to the premium.

For mutual maritime insurance, when the premium is not declared, the tax is 75 centimes for every 1,000 lire insured. Insurance of merchandise transported by water or land, 1 centime for every 1,000 lire insured, if the premium does not exceed 20 centimes, and up to 30 centimes if the premium is over 2 lire.

Life-insurance of every kind at fixed premium, or $\frac{1}{4}$ per cent. Every time the insurance is renewed a new tax must be paid.

Tax on government concessions.—Naturalization papers, 200 lire. Renouncing Italian citizenship, one-half the annual tax paid by applicant. Government permission to accept employment or a pension from a foreign Government, the tax as above. Declaration to have a domicile fixed in the Kingdom, 20 lire.

Royal decree of authorization to change surname, 20 lire; same authorization to add the same, 200 lire; transcription in the civil registers of titles of nobility, from 2,000 lire up.

For civic coat of arms, 50 lire; for private coat of arms, 700 lire; permission to wear foreign decoration, 50 lire.

Dispensation from the bans of matrimony, 10 lire.

Authorization of anonymous societies, from 25 to 300 lire, according to the amount of capital.

Authorization for the establishment of a commercial exchange, 500 lire; permission given the chamber of commerce to sell merchandise at auction, 100 lire.

Certificate that a certain work is of public utility, from 10 to 200 lire.

Permission for loans to provinces on the bank of deposits and loans, $\frac{1}{10}$ per cent.; inscription in the list of money brokers on the amount of the bond given, 1 per cent.

Permission to establish mills or other factories on public waters, 20 lire.

Decree permitting the navigation on lakes, rivers, and canals, 100 lire.

License to transport timber floating on water of rivers, etc., from 20 to 50 lire; authorization for the occupation of water fronts, according to length of time of occupation, from 3 to 50 lire.

License for excavations, 10 lire.

Authorization for exercising liberal professions, 50 lire.

License for opening hotels, restaurants, or other establishments of the kind, 5 per cent. on the first year's rent; renewal of licenses, one-tenth of the amount paid for the license; tempor ary license, 1 lire.

For advertising rooms to let, 5 lire per year.

Permit to establish agencies and loan offices, 20 lire.

Theater permits, from 5 to 100 lire; other licenses, 2 lire.

Decree of approval of land-keepers, for each, 10 lire.

Permit for the exhumation of dead bodies, from 100 to 300 lire.

Passports, 2 to 10 lire; renewals, 3 to 5 lire.

Receipts for titles or certificate of income, 1 lire.

Stipulations of acts in public form, from 3 to 60 lire; for searches in the archives, from 1 to 2 lire.

Concession of exequatur in ecclesiastical matters, from 10 to 20 lire.

License to carry arms, 5 lire; shooting and hunting licenses, from 15 to 50 lire; special license for the introduction in the state, manufacture, or sale of weapons, 200 lire; renewal of license, 20 lire.

Taxes on the proceeds of railway traffic.—For quick traffic, at 13 per cent.; for slow traffic, at 2 per cent.

Taxes on articles of consumption.—On spirits, 150 lire for each neat hectoliter (of 26½ gallons) measured by the official alcoholmeter at the temperature of 15.88.

On beer, 6 centimes per degree per hectoliter, with the maximum limit of 16 degrees and a minimum of 10. Extra tax for entry, 9.60 lire.

For aerated waters, 3 lire the hectoliter.

Gunpowder, 50 centimes the kilo; for the manufacture it varies according to the capacity of it.

On chicory, 60 lire per quintale (100 kilos).

On home-grown sugar: First quality, 49.65 lire per quintale; second quality, 43.20 lire.

On cotton-seed oil, 14 lire per quintal.

The government tax, which bears on the whole of Italy equally, is on wine, vinegar, brandy, alcoholic liquors, meat, flour, rice, oils, beer, suet, and lard according to a tariff variable from day to day according to that of the municipalities. The latter for the better collection of this tax are divided into four classes, and the tax varies according to the class to which the community or municipality belongs.

Items.	Classes.			
	First.	Second.	Third.	Fourth.
Beverages.				
Wine, vinegar:	*Lire.*	*Lire.*	*Lire.*	*Lire.*
In barrels ..... per hectoliter..	7.00	5.00	4.00	3.50
In bottles ..... per bottle..	.15	.10	.05	.05
Before fermentation ..... per hectoliter..	5.50	4.00	3.00	2.50
Small wine, half wine, half vinegar, per hectoliter.*				
Alcohol and liquors:				
Rectified to 59° ..... per hectoliter..	24.00	16.00	12.00	9.00
Rectified to more than 59° ..... do.....	40.00	30.00	20.00	16.00
In bottles ..... each..	.60	.50	.40	.30
Grapes in quantities of more than 5 kilos ..... per 100 kilos..	3.50	2.50	2.00	1.50
Meats and provisions.				
Oxen ..... per head..	40.00	30.00	25.00	20.00
Cows and bulls ..... do....	25.00	20.00	17.00	14.00
Calves:				
Under one year ..... do....	12.00	10.00	8.00	6.00
Over one year ..... do....	22.00	16.00	14.00	12.00
Hogs ..... do....	16.00	12.00	10.00	8.00
Pigs ..... do....	5.00	4.00	3.00	2.00
Lambs, kids, sheep, and goats ..... do....	.50	.40	.30	.25
Fresh meat ..... per 100 kilos..	12.50	10.00	8.00	6.00
Salt meat and lard ..... do....	25.00	20.00	17.00	16.00
Wheat flour, bread, and paste ..... do....	2.00	1.80	1.60	1.40
Flour, bread, and paste of every other kind ..... do....	1.40	1.20	1.00	.90
Rice ..... do....	2.00	1.80	1.60	1.40
Butter, vegetable or animal oil, except for medicine.. do....	8.00	7.00	6.00	5.00
Mineral oil and tallow ..... do....	4.00	3.50	3.00	2.50
Sugar ..... do....	10.00	8.00	6.00	4.00

* One-half the tax on wine.

Tobacco.—The manufacture of all kinds of tobacco and cigars is carried on in the interest of the Government. The cultivation requires a special permit, and the produce must be either sold to the state or exported. I am informed that the estimated annual income is about 126,300,000 lire.

II.—PROVINCIAL TAXES.

In the province of Naples this tax amounts to $6\frac{25}{100}$ per cent. on three-fourths of the income of the city property and $9\frac{20}{100}$ per cent. on three-fourths of the income of country property. The aggregate amount of these during the year 1886 was 3,732,424.79 lire. In some instances provinces possess lands, buildings, scrip of Government funds, railway shares, etc., and income or proceeds of all such properties are entered on the income side of the account, and they amounted for this province during the year 1886 to 376,145.20 lire. The expenses to be met by the province out of the above-stated two sources of income are as follows:

First. Necessary expenditures. (1) Ordinary: Administration, sanitary affairs, instruction, public security, charities, public works, agriculture, various expenses, amounting to 1,908,543.43 lire. (2) Extraordinary: Extinction of loans, administration, public instruction, charities, sanitary affairs, public security, public works, agriculture, and various, 1,449,597.65 lire.

Second. Optional expenditures. (1) Ordinary: Annuities, outgoing, administration, public instruction, charities, sanitary affairs, public securities, public works, agriculture, and various, 276,984.40 lire. (2) Extraordinary: Expenses and changes of real estate, administration, public instruction, charities, sanitary affairs, public security, public works, agriculture, and various expenses, amounting to 174,915.19 lire.

III.—MUNICIPAL TAXES.

The communes on their account may add an extra duty on all articles already subjected to a government tax, but not more than 3 per cent. on the same. They may also impose on their own account taxes on other provisions and beverages; on forage, fuel, building materials, furniture, soap, and other articles of local consumption, and this up to 10 per cent. of the actual value. This can be carried out by royal decree or by decision of the chamber of commerce and council of state, with royal decree.

Everything without exception is subject to at least one direct or indirect municipal tax. It would far exceed the scope of this report to incorporate a full tariff of all the different articles, with their respective rates of taxation; but I will mention a few to illustrate the system.

The streets of the city of Naples are divided in six classes for the taxation of the space occupied by merchants, and they are obliged to pay an annual tax for each and every square metre they occupy:

Class of locality.	Area.	Signs and show-cases.	Awnings.	Class of locality.	Area.	Signs and show-cases.	Awnings.
	Lire.	*Lire.*	*Lire.*		*Lire.*	*Lire.*	*Lire.*
First	20	18	13	Fourth	12	7	7
Second	18	14	11	Fifth	9	5	5
Third	15	10	9	Sixth	6	3	3

Tax on animals per annum is, for every private horse or mule, 36 lire; for every private ox or donkey, 3 lire; for every public horse or mule, 6 lire; for every ox or donkey for public hire 3 lire. This tax is paid in six rates.

Public conveyances are divided in three categories, A, B, and C.

	Lire
Category A:	
First class omnibusses	48
Second class carriages with four seats	36
Third class carriages with two seats	18
Category B:	
First class omnibuses	36
Second class carriages with four seats	24
Third class carriages with two seats	12
Category C:	
First class carriages with four seats	24
Second class wagons	12

Private carriages, category A, 36 lire, category B, 18 lire.

On hotels, restaurants, inns, coffee-houses, and other establishments of the kind, there is a tax of 5 per cent. on the house rent, payable by the tenant. Licenses must be renewed every year. The maximum of the license tax is 300 lire per annum.

The tax on the valore locativa or house rent is 2 per cent. on the rent actually paid by the tenant, and payable by him.

When the municipal tax has been paid on articles entering the city, and they are again exported, the duty may be restored if a declaration and special agreement has been made at the time of importation.

The mode of payment is according to whether the city is closed or open. In the former case the payment is made at the barrier or gate; in the second by the retail salesman.

Since these duties are partly of the state and partly of the municipality, to avoid a double set of officers the municipality levies all the taxes and pays to the state a regular sum agreed upon; or else the state collects all taxes of both kinds and allows the municipality a fixed portion. This last mode is adopted in the municipality of Naples, and under the arrangement between the state and the city of Naples, the former collects all the taxes and pays to the municipality annually the net amount of 10,000,000 lire as her share, and as will appear in the statement of the receipts and disbursements of the city of Naples for the year 1886, hereto annexed.

EDWARD CAMPHAUSEN,
Consul.

CONSULATE OF THE UNITED STATES,
Naples, May 28, 1887.

Table showing receipts and disbursements of the city of Naples, for the year 1886.

RECEIPTS.

ORDINARY ENTRIES.

INCOMING ACCOUNT.	Lire.
Balance collected for the season 1881—1884	2,971,536.60
Rent of rural properties, houses, and sites	187,000.00
Rent of springs of sulphur and iron water	21,000.00
Proceeds of communal mills	20,000.00
Proceeds of shambles at Poggioreale	200,000.00
Proceeds of the new markets	55,000.00
Proceeds of perpetual annuities, statutories, allowances, and other grants	26,475.74
Revenue entered in the great book of public debt	56,540.00
Revenue arising from the property of the savings bank	10,460.00
Revenue arising from the sale of houses and land	3,831.25
Revenue arising from the theatres of San Carlo and Mercadanto	10,000.00
	3,561,843.59

Miscellaneous Proceeds.

		Lire.
Derived from the grant of land for burying grounds, from the hire of funeral cars, etc., viz:		
Sale of land	85,000.00	
Cemetery rights	65,000.00	
		150,000.00
Deducted from the 2½ per cent. of the pay of stipendiaries of the commune for contribution to the pension fund		50,000.00
Re-imbursement by the provinces of a part of the annual expenses for the maintenance of certain roads		50,000.00
Further re-imbursement by the same on the maintenance of the first division of the road to Pozzuoli		887.27
Same to Capodichino		10,800.00
Same to Poggioreale		10,000.00
Recovery of law suits		10,000.00
Direction of the public worship fund, being part of the assignment of sums which revert to the commune, as belonging to elementary instruction		20,000.00
		301,687.27
Portion of the excise duties on articles of consumption due to the commune on the whole sum raised by the Government according to the act of May 14, 1881		10,000,000.00
Tax on public vehicles and tram-ways		65,000.00
Tax on private vehicles		91,000.00
Tax on carriages and riding horses		114,000.00
Tax on horses for hire and industrial purposes		35,000.00
Scholastic taxes		7,500.00
Hire of seats in the public parks		5,500.00
Licenses for signs, shop windows and external awnings		121,100.00
House tenants tax		420,000.00
Grants of sea beach for the placing of baths		40,000.00
Grants for huts, etc., on public roads		975.00
Probable amount due city on income tax		130,000.00
Licenses for inns, cafés, etc		27,000.00
Dues on civic acts and functions		19,000.00
Miscellaneous dues		8,000.00
Proceeds of the monopoly of snow and ice		200,000.00
Same from tram-way company		35,827.70
Same from steam tram-way company		2,262.36
Proceeds of the portion due to the deposits and loan bank for the annuity of the consolidated loan of 22,117,763.60 lire, according to act of May 14, 1881		1,089,991.92
Same for the loan of 7,000,000 lire		344,968.86
Same for the loan of 3,000,000 lire		147,843.84
Same for the loan of 5,000,000 lire		246,406.40
Same for the loan of 2,500,000 lire		123,203.16
Same for the loan of 2,500,000 lire		123,203.16
Same for scholastic loan of 1,000,000 lire		44,280.96
Same to the Bank of Naples for the annuity on the consolidated loan of 9,313,258.79 lire		442,525.02
Sum required to make up the balance		587,258.76
		14,521,847.14
Total ordinary receipts		18,385,378.00

EXTRAORDINARY ENTRIES.

Government subsidy for increase of public instruction:		
For technical schools	22,000.00	
For the tax of technical licenses	750.00	
Founding of Alessandro Volta industrial school	15,000.00	
Annual assignment for said schools	25,000.00	
Elementary instruction	30,000.00	
		92,750.00
From the allowances of pupils and other proceeds of the municipal colleges		380,155.00

	Lire.
From special elementary schools	24,000.00
From fines for the breach of municipal regulations	24,000.00
Profit remainder on interest and extinction of the scholastic loan of 500,000 lire	22,190.45
Re-imbursements of advances to various pensioners	3,821.68
Miscellaneous receipts	20,000.00
Total extraordinary receipts	566,918.13

TRANSFER ACCOUNT.

Additional centimes on the treasury tax and the provincial and communal extra tax on lands and buildings for commission to the collectors	105,000.00
Same on income tax	42,000.00
Same on communal taxes	6,500.00
Retained from the pay, pensions, and assignments of the agents and employés of the commune as well as on other annuities paid to holders of warrants for the income tax	55,000.00
Same on circulation and negotiation of warrants on the communal loans	95,000.00
Same for expenses of quotation in Paris of said loans	64,000.00
Same of 12 per cent. on the cost of works for pay to engineers	120,000.00
The contribution of the commune towards the expenses of rent and of the purchase and preservation of the furniture of law courts	6,000.00
Restitution by the minister of war of expenses of military lodging and transport	700.00
Same by the minister of the for the expenses of carriage of paupers, prisoners, and of corpora dicti	20,000.00
Same for the cost of works executed at the expense of private persons for reasons of public health and safety	20,000.00
Installment due from the communes interested in the maintenance of three first lines of the Astronis road	6,420.79
Government subsidy for the school for blind	3,500.00
From the Serino Water Company for the renumeration to municipal engineers charged with the overlooking of the work	16,000.00
Kept back on the pay municipal guards for wardrobe	61,200.00
Kept back on the pay of the sedentary guards	7,800.00
Kept back on the pay of the public for same	7,360.00
Proportion of the price of municipal lands and houses sold	40,000.00
Total transfer account	1,376,480.79

SPECIAL ACCOUNTS.

Receipts connected with the clearing up of the special account of expenses and extra operations according to the act of May 14, 1881	6,872,004.42
Loan from the Bank of Naples to regulate the articles of the balance of 1884 converted to sanitary expenses for providing for other payments caused by the cholera, for pushing forward immediately necessary works for public health, and expenses for further sanitary provisions	
Total receipts	27,200,781.34

DISBURSEMENTS.

ORDINARY EXPENSES.

Sums remaining to be paid for the services from 1881 to 1884	2,391,258.06
Interest at 5 per cent. of the consolidated loan guarantied by the Government by act of May 14, 1881	4,337,902.50
Same of 3½ per cent. on the loan from deposit and Loan Bank	708,433.69
Same of 3½ per cent. on loan of the same bank, 7,000,000 lires	224,210.46
Same of 3½ per cent. on loan of 3,000,000 lires	99,596.11
Same of 3½ per cent. on loan of 5,000,000 lires	168,724.78

	Lire.
Same of 3¼ per cent. on loan of 2,500,000 lires	85,694.58
Interest at 5 per cent. for the loan of 2,500,000 lires for the completion of 20,000,000 lires	86,981.05
Interest at 2 per cent. on the scholastic loan	18,799.24
Interest at 2 per cent. on the consolidated loan of 9,313,258.79 lires from the Bank of Naples	180,657.51
Interest at 3 per cent. on the current account of the bank by article 17 of the instructions of the treasury service	30,000.00
Same for the second half year of 1886 on the revenues of the public Italian debt to be issued by the Government according to the act of January 15, 1855	103,087.50
Same of the capital for which the commune is responsible for the redemption of markets and shambles	192,911.50
Same of the capitalized value of the place called conservatorio del comiglio, now converted into a scholastic edifice	1,200.00
Statutory allowances, perpetual annuities and other similar outgoings	78,286.81
Statutory allowances to ex-monasteries	4,637.65
Product of the capital of 17,000 lires assigned to the orphan asylum of Bancaccio	850.00
Farm tax on the lands and buildings belonging to the commune	46,000.00
Additional provincial tax on the same	15,500.00
Additional communal tax on same	2,500.00
Income tax	11,000.00
Annual local repairs of civic property	12,000.00
Fire-insurance premiums on certain buildings belonging to the commune	2,282.68
Endowment of the second royal educational institute, Maria Pia	17,000.00
Total	8,819,514.12

EXPENSES OF ADMINISTRATION—PAY, PENSIONS, ASSIGNMENTS AND PROVISIONS.

Salaries of administrative employés in the communal offices	656,040.00
Salaries of employés in the customs offices	12,905.00
Salaries of employés for public lighting	38,100.00
Salaries of employés at Poggioreale	14,245.32
Salaries of employés of the communal mills	30,352.00
Pay of the inferior servants in the offices of the commune	79,221.60
Expenses of collecting taxes	6,000.00
Annual expenses and pensions of retired employés, etc	280,000.00
Annual expenses of extra engineers	1,200.00
Annual expenses to those decorated with military medals for bravery	15,300.00

RENT, FURNITURE, REPAIRS, AND OTHER EXPENSES.

Rent of offices and archives of the municipality	4,182.00
Maintenance of the same and of the palace of Giacomo	20,000.00
Renewal and repairs of furniture, utensils, etc	14,000.00
Expenses of registers, all kinds of printed forms for the central offices and the sections and of printing in general	60,000.00
Expenses for stationery	15,959.64
Printed forms of the movement of the population	20.00
Stamps for the registry of decrees and other acts	12,000.00
Postal expenses	1,500.00
Expenses of the official collection of laws, etc	52.00
Clothing of the porters, messengers, etc	10,000.00
House-rent to the keeper of Beifiori market	288.00
Rent of telegraph offices	4,346.00
Telephone service	3,000.00
	1,278,711.56
Local police and sanitary arrangements, including the pay of official servants and their outfit, cleaning, watering, and lighting the streets, maintaining public closets, etc., and the cleansing of drains. The maintenance of the Cologne hospital, city and village doctors (36 in number), the public analyst, veterinarians, midwives, vaccination, and the maintenance of burial grounds, and the officers, clergy, and expenses of funerals	2,292,689.40

	Lire.
Justice and public safety, including the share of the municipality in the charge of prisoners and prisons; pay of police (17 officers of a force of about 600), rent and expenses of barracks, rent, furniture, and repairs of law courts and transport of insane persons to asylum, etc..	393,711.13
Public works: Making, maintenance and cleansing of fountains, wells, aqueducts, etc.; pay of men employed in water-works, macadamizing roads and plantations, paving and improving the streets, breakwaters, light-houses, etc., and public monuments	568,655.99
Public instructions: Elementary schools, service, and expenses	928,320.00
Public worship: Maintenance thereof and of sacred buildings and compensation for deprivation of private burials since the establishment of cemeteries, and allowance to the chapel of San Gennaio	121,458.32
Quota of the municipality for foundlings and for the cholera orphanage of 1836	42,017.80
Lodging of soldiers at times of changing garrison or levy of troops, elections, income-tax commission, law expenses, contracts, national festivals, discount on loan annuities, regulation of docks and suburban-telegraph service	180,080 00
Total ordinary expenses	14,647,658.32
Rate of extinction of various public loans and investments	1,243,092.76

ADMINISTRATIVE EXPENSES.

Extra employés and extra pay allowance to regular employés, alteration and furniture of offices and archives, care of new markets, and keeping of horses and other animals	81,283.34
Police and sanitary: Extra pay to communal or municipal guards, special commission of health, gas lightning, etc	215,096.20
Public security and justice. Assize court, furniture, and pay of police officers	14,801.70
Public works: Completion of, cleaning and repairing canals, repairing macadamized roads and continuation of Via Tasso, of work at the harbor, etc., installment of subsidy for the cathedral façade, enlargement of cemetery, and cholera burying-ground, railways, and public monuments	246,000.00
Public instruction, alteration, and installment of purchase money of school buildings	11,880.44
Worship, *nil.*	
Charity, *nil.*	
Allowance for retired excise officers and unforeseen expenses	127,137.74

TRANSFER ACCOUNT.

Additional centimes on the various taxes for commission to the collectors; withheld by the central Government on various stipends and annuities; share of furniture of courts of justice; compensation for lodging and transport of troops, as received from the minister of war; of paupers, prisoners, etc., as received from the minister of the interior; quota for the maintenance of subsidy to the blind school, and allowance to engineers to overlook the Serina water works; wardrobe of police and musicians, and purchase of stock in the Italian public debt	1,376,480.79

OPTIONAL EXPENSES.

On civic property, *nil.*	
Administrative expenses. Allowance to syndic, to vice-syndic, and others for expenses, cab hire, etc	23,070.00
Police and sanitary. Alteration in gas lamps, etc., and laying down gas in the villages	100,000.00
Public security. Fire brigade	231,918.00
Public works. Public gardens, reconstruction of roads and laying on water at San Carlo	211,500.00
Public instruction. Subsidies to various asylums and educational institutes, evening schools, blind and deaf and dumb schools, technical and industrial schools, allowance for books and paper to poor students, various councils and experimental institutions	820,910.70
Public worship, *nil.*	

	Lire.
Shelter for the poor and various charitable institutions and objects...	602,453.00
To the poor-house. Payment of 10 per cent. withheld on the salaries of employés, for public music, hospitals, etc., at San Carlo.....	368,002.92

SPECIAL ACCOUNT.

Clearing up and settlement of the same, and balance of 1884 converted to sanitary purposes and other arrangements and extraordinary expenses owing to the cholera outbreak.....	6,872,004.42
Total disbursements.....	27,206,781.34

RECAPITULATION.

RECEIPTS.

	Lire.
Ordinary receipts.....	18,385,378.00
Extraordinary receipts.....	566,918.13
Transfer account.....	1,376,480.79
Special account.....	6,872,004.42
Total receipts.....	27,200,781.34

DISBURSEMENTS.

Ordinary necessary expenses.....	14,647,658.32
Extraordinary necessary expenses.....	1,937,783.19
Transfer account.....	1,376,480.79
Optional expenses.....	2,366,854.62
Special account.....	6,872,004.42
Total disbursements.....	27,200,781.34

LEGHORN.

REPORT OF CONSUL SARTORI.

The population of the city of Leghorn on January, 1887, was officially estimated as 101,044. The debt on the city amounted to between fifteen and sixteen millions of francs, equal to some 150 francs ($30) per capita. This debt is issued by the commune, with the authorization of the Government, in the form of coupon bonds. The greater part carries from 5 to 6 per cent. interest, but such money as is required for public works is furnished by the Government at from 3 to 3½ per cent. The commune of Leghorn and the commune of Elba form the province of Leghorn, and it is the smallest province in the Kingdom of Italy.

The estimates of the expenses of the city or commune of Leghorn for the year 1887 amount to some 6,000,000 of francs or about $800,000. No reference is made in these estimates to the expenses of collecting the custom-house dues, these being entirely a Government affair, and the expenses accruing for their collection being paid by the Italian Government direct.

As may be seen by reference to the appended estimates, the largest part of the income of the city is derived from the dazio consumo, or consumption tax. This is a tax imposed on all articles entering the city and intended for consumption therein, such as food, clothing, etc., and the amount of this tax is regulated by a special tariff, which varies in the different cities of the Kingdom.

In the estimates for 1887 the receipts from this tax are estimated at

2,343,000, francs, and the expenses of collecting it at 536,376, resulting in a net income from it of nearly two millions of francs.

The tax on real estate, which is the next most important source of revenue to the city, is 16.25 per cent. on the net rental received, such net rental being determined by a deduction of 25 per cent. on the gross amount received. Every owner of real estate is obliged to declare to the receiver of taxes the name of the party or parties to whom he has rented his property, and the exact amount for which he has let it. Should he dwell on his own property the amount is fixed by public appraisers.

If the revenue from this and the other sources do not suffice to meet the expenses of the city, the municipality have the right to increase this tax.

The income is a Government tax, and is fixed by a special law. The present rate is 13.20 per cent. on the net income, and the municipality has a right of participation of one-tenth on incomes comprised in certain categories indicated by a law.

There is no Government tax on trades or professions, but the municipality has imposed a tax called *La Tassa sugli Esercizi e Rivendite*, which is levied on every one engaged in any business, profession, or industry of whatsoever kind, excepting only those engaged in sale of the Government monopolies, salt and tobacco. This tax is arranged on a shifting scale, the maximum being 300 francs and the minimum 2 francs. Those whose income, in the judgment of the public appraisers, does not exceed 1,000 francs are exempt from this tax.

The family tax, from which an income of over 200,000 francs is derived by the city, is a tax on the various households according to their presumptive position. These households are divided into 20 categories by a committee of citizens, and according to their importance they pay from 20 to 1,500 francs annually.

The tax on servants and carriages is also fixed by a committee of citizens, who classify the various families according to their social position and mode of living.

The butcher's tax is a tax on each beast slaughtered in the city. On cattle, this tax is 1 franc each, calves 70 centimes, and pigs 60 centimes; lambs, 10 centimes each, respectively.

The scope of the present report, and the magnitude of the Italian custom-house tariff, prevents me from going into a detailed statement of these dues.

Of the articles imported to this consular district from the United States it may be mentioned that petroleum pays a duty of 47 francs per 100 kilos, less 15 per cent. tare in barrels and 14 per cent. tare when in cases. This is equal to about 28 cents per gallon, and there is besides a consumption tax of about 4 cents per gallon.

On grain there is a duty of 3 francs per 100 kilos, and on corn of 1.15 francs per 100 kilos; calculating the bushel as 60 pounds, this is equal to about 16 cents per bushel on the former, and about 6⅔ cents per bushel on the latter.

Alcohol pays a duty of 12 francs per 100 liters, with a graduated duty of 180 francs per 100 liters for each degree of strength centigrade. American alcohol averages 94 degrees, and the duty therefore is 12 francs + 94 × 180 = 169.20 francs, 181.20 francs in all per 100 liters, which is equal to about $1.32 per gallon. Besides this there is a consumption tax on alcohol of 13 cents per gallon.

These are the present rates, and it may be noted that they have been largely increased since my last report.

There is an inheritance tax throughout the Kingdom of Italy which accrues to the Government. This tax is relatively small in the case of direct heirs, but becomes very heavy otherwise.

The stamp tax is likewise a government tax, and so also are all the taxes and dues on shipping. All checks, drafts, and receipts require stamps, and any paper used for official purposes is issued by the Government, and the value is determined by the purpose for which it may be destined.

VICTOR A. SARTORI,
Consul.

UNITED STATES CONSULATE,
Leghorn, June 21, 1887.

Estimate of expenses of the city of Leghorn for 1887.

	Lire.		Lire.
To interest on city debt	915,398.46	To sewers	34,000.00
income tax on government bonds held by the city	98,627.50	maintenance of public gardens, etc	11,000.00
other obligations	70,075.02	public schools, etc	223,850.00
salaries of employés	134,695.76	cost of collecting the Dazio consumo	536,376.00
treasurer of the commune	8,500.00	maintenance of public buildings	117,455.97
pensions	36,000.00	reduction of public debt	* 312,713.98
materials, fire, lights, etc	20,270.00	firemen	40,000.00
cleaning streets, etc	35,500.00	public works	361,050.34
lighting streets, etc	163,000.00	additional expenses for public instruction	58,260.00
municipal guard	96,000.00	maintenance of charitable institutions	425,138.00
salaries public physicians	34,718.60	allowance to mayor for expenses	1,500.00
sundry expenses for maintaining the health of the city	52,983.00	sundry expenses	32,647.79
police	67,700.00	Total	4,006,695.62
salaries of employés in public works	16,155.20		
repairs of streets	67,100.00		

Estimate of receipts of the city of Leghorn for 1887.

By rents of properties belonging to city	38,000.00	By participation in income tax as per law of April 24, 1887	50,000.00
income from bonds	52,146.00	amount from school taxes	11,000.00
interest	3,018.51	amount from tax on dogs	7,000.00
amount from certain tithes	1,286.97	amount from taxes on carriages and servants	32,000.00
rents public property for pasture	1,440.00	amount from license taxes	5,000.00
rent water-works	10,640.00	amount from family tax	220,000.00
rent gas-works	5,467.00	amount from tax on professions and retail sales	64,000.00
amount due by commune of Elba towards rent of court-house	1,438.99	amount from real estate taxes	683,004.92
burial taxes	17,500.00	amount from increase of city debt for certain public works	270,000.00
sundry returns from lawsuits	100.00	amount from sale of public properties	5,000.00
additional returns from income tax	9,718.31	amount from fines and penalties	8,000.00
amount due by commune of Elba towards maintenance of court-house	119.92	sundry accruing amounts	14,815.00
amounts retained from salary of employés of the city for their pension	17,000.00	amount from extra assessment retained from salaries of employés of the city towards their pension	14,000.00
amount from consumption (octroi) tax	2,343,000.00	amount from government subsidy towards public institutions	12,000.00
amount from commercial taxes	70,000.00	Total	4,006,695.62
amount from weighers' and measurers' tax	8,000.00		
amount from butchers' tax	12,000.00		
amount from sundry rents	16,000.00		
amount from registry tax	4,000.00		

PALERMO.

REPORT OF CONSUL CARROLL.

In view of my having made a report upon taxation in Italy, published in Number 54, Consular Reports, I have deemed it proper to address the proper authorities on the subject, with a view of obtaining authenticated and detailed data in the premises, and I now beg to inclose herein translations of the replies of the mayor of Palermo and intendant of finance, the gentlemen with whom I communicated the questions propounded, which, I trust, will be found satisfactory, and to cover the ground intended or desired by the Department.

In this connection it may be proper to say that, notwithstanding the opinion advanced by the mayor and intendant of finance, taxation in Italy is burdensome and complex, as the Department will readily see. There is scarcely a thing or an act in the Kingdom of Italy exempt from taxation, and were it not that the law, strict and stringent as it is, affords loop-holes by which cheating is possible, and indulged in, there would be few who would have a surplus after paying their numerous and, from an American stand-point, exorbitant taxes.

Were such a system of taxation inaugurated in the United States the most pacific and quiet man in the country would, it is believed, either rebel or emigrate. But here, with the chances of eluding the law, they are used to it, and are happy in proportion to the amount out of which they may be able to defraud the Government at each successive collection of the taxes.

PHILIP CARROLL,
Consul.

UNITED STATES CONSULATE,
Palermo, August 24 1887.

[Inclosure No. 1—Translation.]

CENTRAL OFFICE,
Palermo, April 26, 1887.

CONSUL OF THE UNITED STATES, *Palermo:*

In reply to your esteemed letter of 11th instant I have the honor to hand you herewith annexed a statement on the tributary system of our city, which contains as much as you may desire to know on the subject.

N. TURRISI,
Mayor.

The system of taxation in the city of Palermo is in no way special, and is carried on in a simple manner.

There are only three species of imposts and taxes, viz, direct, indirect, and sundry duties and taxes.

I. THE DIRECT TAXES

comprise one category only, the super tax on lands and buildings, the income tax being excluded under this head, according to the laws in force.

This super impost is 33.59 centimes on every lira of principal tax, and produces a yearly income of 408,298 lire.

As respects the duty on the income tax, which belongs to Government exclusively, the municipal corporation, on account of the expenses it has to incur, receives one-tenth of it, which amounts to 52,000 lire.

II. THE INDIRECT TAXES.

These are divided into two categories, viz: Super impost by Government on the consumption tax; the state has taken this kind of tax to itself, which in our country is a patrimony belonging exclusively to the city corporation.

Consumption tax, on articles and products not struck by Government tax, and therefore taxes belonging exclusively to the city corporation.

First. The Government consumption taxes, in which the city corporation has a super impost, that is, a little more than one-third part, are on the following articles and in the following united measure between Government and the city corporation:

Wine and vinegar, in casks, 10.50 lire per hectoliter; in bottles, .20 lira each. Must, new unrefined wine, 8.25 lire per hectoliter. Alcohol of 59 degrees, 12 lire per hectoliter; over that degree, 18 lire per hectoliter; alcohol in bottles, .30 lira each. Grapes, 4 lire per 100 kilograms.

Meat, 34 per cent. deducted from live weight, 12 lire per 100 kilograms. Pigs, 19 lire per head; suckling pigs, 7.50 lire each. Lambkins, kids, sheep, etc., .70 lire per head; salted and smoked meat, 33 lire per 100 kilograms; hog's lard, 30 lire per 100 kilograms.

Flour, bread, and macaroni (made from wheat), 7.50 lire per 100 kilograms; the best and finest flour, 8.85 lire per 100 kilograms; flour, bread, and macaroni (made of any other species of grain not wheat), 4.15 lire per 100 kilograms; sweet bread, paste, and biscuits, 8.85 lire per 100 kilograms.

Rice, 3 lire per 100 kilograms.

Vegetable and animal oil, 12 lire per 100 kilograms; mineral oil, 6 lire per 100 kilograms; tallow, 6 lire per 100 kilograms; fruit and seeds that produce oil, 2.60 lire per 100 kilograms.

Sugar, sweetmeats, and honey, 15 lire per 400 kilograms.

2d. The city corporation taxes are the following:

First-class fresh fish, 20 lire per 100 kilograms; second-class, 10 lire; third-class, 5 lire; fourth-class, 3 lire; dried or salted fish, 3 lire per 100 kilograms; fish under oil, 10 lire per 100 kilograms; fish preserved in cans, 15 lire per 100 kilograms.

Cheese, 11 lire per 100 kilograms.

Salt, .35 lire per 100 kilograms.

Wax, according to the different qualities, from 3 lire to 12 lire per 100 kilograms.

Concentrated fat acids, 6 lire per 100 kilograms; spermaceti candles, 12 lire per 100 kilograms.

Brown common soap, 6 lire per 100 kilograms; white and colored soap, 8 lire per 100 kilograms; perfumed fine soap, 12 lire per 100 kilograms.

Coffee, 5 lire per 100 kilograms.

Fire-wood, per load, according to size of cart, from 30 centimes to 3 lire; charcoal, large size, 1.50 lire per 100 kilograms; charcoal, small, 1.20 lire per 100 kilograms; mineral coal, .60 lire per 100 kilograms.

Wheat and barley, 2 lire; straw and hay, per load, according to size of cart, from 40 centimes to 5 lire; bran, 1.35 lire per 100 kilograms.

Lime (Pozzolana) cement, 1 lire per cart-load.

Paper hanging, 15 lire per 100 kilograms.

Timber, different sorts, and wooden furniture, a special tariff that runs from 20 centimes to 16 lire per 100 kilograms of timber, and from 10 lire to 30 lire per wooden furniture.

Iron, steel, and articles made of same, furniture, tools, etc., a special tariff, 45. lire on iron rails for railways, 3 lire on iron furniture and on iron remanufactured.

A special tariff of taxes completes the system of consumption taxes of both the Government and city corporation together, as well as those belonging to the city corporation exclusively.

The tariff of taxes makes a deduction on the weight of articles put up in vessels and runs from 2 to 20 per cent.

The indirect tax between Government and city corporation and that of the city corporation exclusively, amounts to 6, 150,000 lire, on which calculate the share belonging to the Government. The sum of 1,900,000 lire is paid to the state yearly, realized from rents.

III.—The Sundry Duties and Taxes.

The sundry duties and taxes are reduced to the following, and belong to the city corporation exclusively:

Scholastic taxes, 40 lire per annum for each male or female scholar frequenting the special municipal schools, which produces 9,500 lire. Taxes for occupying public spaces, at the rate of 10 centimes per day, in the principal squares or streets, and 5 centimes per day in secondary streets or squares, from which is realized 8,000 lire.

Duties on funeral cars (hearses), on the basis of a tariff which imposes 300 lire for a grand and showy car, besides 30 lire for the pall, which is used also for other cars; for a first-class car for adults 50 lire, for a second-class car 25 lire, and for a third class 15 lire, and for children and babies 30 lire, 7.50 lire, and 3 lire. These duties produce, net, 19,000 lire, it being a service given out by contract to undertakers.

Burial dues, on the basis of a tariff which imposes 20 lire for a grave for a given time; 50 lire for a grave for all time; 100 lire for a family sepulcher, besides 50

lire for every corpse that may be placed in it. One hundred lire to 150 lire for every square meter of ground, according to the place, for a noble monumental sepulcher, besides a duty of 50 lire to 100 lire on the burial of a corpse, according to the age of the dead person, and the importance of the sepulcher. These dues produce 60,000 lire. At present free burial is on a large scale.

Duties for copies of deeds and certificates extracted from the civic registers, viz: 1 lire for copy of a wedding certificate, and .50 lire for copy of a birth or death register. These produce 5,000 lire.

Taxes on horses, mules, and donkeys, as per following tariff: 30 lire for every draught horse or mule of private property; 5 lire for every cab-horse, and 5 lire for every donkey. These produce 74,142 lire.

Taxes on private and public carriages.—For a private four-wheeled and four-seated carriage 50 lire; for a two-wheeled and two-seated carriage 25 lire. Carriages and cabs for hire, of whatever size or shape, 20 lire. Carriages with an escutcheon, double the tax as a private one. These taxes realize 42,306 lire.

Taxes on servants.—For every female servant 2 lire, and for every male servant 4 lire; these produce 15,224 lire.

Taxes on persons practicing a profession, an art, an industry, or business of whatever sort, on the basis of a tariff that classifies the importance of the industrial or commercial practice by categories, and is imposed at a fixed duty ranging from 2 lire to 200 lire.

The monopoly of frozen snow, and tax on ice, is imposed at 5 lire for every 100 kilograms, and produces 146,000 lire yearly.

A few very small rents of little importance are left out, having nothing characteristic about them.

Wishing to show, with these rents adverted to included, the entire rents arising from imposts, taxes, and sundry direct taxes, the following results are reached: Direct imposts, 460,294.81 lire; indirect taxes, 6,052,299.14 lire; sundry taxes and duties, 555,100.16 lire; total, 7,067,694.11 lire.

The expenses that are incurred in collecting the rents may be set down in the following proportions: Direct imposts, 2.23¼ per cent.; indirect taxes, 13 per cent.; sundry taxes and duties, 2 per cent.

This is our tributary system, which, as may be noted, is neither complicated, heavy, nor troublesome. A few funds taxed, but productive.

The direct imposts are limited to superimposts that do not go beyond the limit pointed out by law, as in other city corporations, where by Government authority it is too high, to the detriment of land-holders and people engaged in business.

The indirect taxes fall on articles of consumption, on an extensive scale, without that multiplicity of taxes which produces little and causes much trouble—liquors, wines, flour, fish, cheese, oils, forage. On colonials, two only, sugar and coffee. Building materials, wood, iron, lime, and cements only; other building materials are excluded; wooden and iron furniture and paper-hangings are included.

The sundry duties and taxes are also reduced to a few, and affect people living in expensive style more than those living moderately.

Our tributary system, in general, proceeds in an equable and arithmetical manner; there are no progressive imposts, nor excessive or ponderous taxes; no social class is spared, nor any class imposed in a special manner; industries are not struck under that denomination, and commerce, in the transit of products, is not impeded or troubled, but only watched over; and facilities, within the limits of the law, are granted to builders, manufacturers, merchants, and sellers.

[Inclosure No. 2—Translation.]

CABINET OF THE INTENDANT OF FINANCE,
Palermo, May 12, 1887.

SIR: In reply to your letter of the 11th ultimo with reference to Government taxation in this district, I beg to inform you that the whole tributary system of the Kingdom is based on the principle that the citizen contributes towards the public treasury in proportion to his income and the entirety of his property, both of which receive public protection. Therefore, as a principle, and by way of maxim, fixed tributes, such as are paid in advance at a fixed rate, without having regard to the wealth of the citizens, for example, the poll-tax; such as are progressive, that are paid by the citizens, not in simple proportion, but in progressive proportion to their wealth, are excluded in Italy.

I can therefore affirm, with pride, that the Italian tributary system fully answers the postulatum of modern economical science; which, considering the impost as a part

of private wealth, taken by the state in order to enable it to fulfill its high functions, requires that the impost be divided in its quantity in proportion to the wealth of the contributors, and in proportion to the advantage that its employment renders to the different social classes. It therefore follows that there does not exist, with respect to the imposts, any difference of treatment amongst the various classes, each one corresponding in proportion to its wealth, and to the public protection with which the state provides them.

Therefore, nothing remains to be said of the difference of impost between class and social class, which are alluded to in the letter to which I have the honor to reply.

The distinction exists instead between direct and indirect imposts, and this depends not only on the different practical methods of exaction; the direct being that impost which the state receives in a direct way, regularly, and periodically, at fixed and determined dates, and the indirect when it is received in neither of the above-mentioned ways, but is neither continual nor of a periodical continuation. Such difference tends to another criterion, which I would say is almost intrinsic to the nature of the imposts themselves, as the indirect impost always depends on a voluntary act of the contributor, who, therefore, may pay it when he likes, and in such proportion as best pleases him, without his being forced to pay at a fixed time.

Of the imposts in vogue at present in Italy, those belonging to the first category are the income tax, the land tax, and tax on buildings. These are denominated *direct* taxes.

Those belonging to the second category, or indirect taxes, are custom-house taxes, taxes on produce, consumption tax, privilege taxes, the register tax, judicial tax, stamp tax, taxes on Government grants, succession tax, mortgage tax, and taxes on ecclesiastic property.

I will treat briefly on each one of these.

INCOME TAX.

This is an impost that strikes all rents excepting those on land, and is applied by deducting beforehand, from every unity of imposable rent an equal and uniform aliquot part which at the present day is fixed at 12 per cent. in principal, with a superimpost of one-tenth, for which reason it comes to 13.20 per cent.

By the effect of such impost the rent is distinguished by gross, net, and imposable, and the impost is applied after having deducted from the net rent a variable part, according to the nature of the rent itself.

To the same effect the law distinguished the rent in four categories: (1) Perpetual rents, arising from mortgaged or bonded credits, or other titles, in the production of which the hand of man does not enter, and such are taxed at their integral value; (2) rents, in the production of which both capital and the work of man concur; such are taxed by their value being reduced to six-eighths; (3) rents dependent only on the work of man are taxed on the value being reduced to five-tenths; (4) and lastly, assignments, pensions, and salaries answered for by the state, by the provinces, and by city corporations, which are taxed on the sum reduced to four-eighths, that is to say one-half.

All these rents, to be subject to the impost now treated, must be produced in the state, whether they belong to natives or foreigners; whilst those received from abroad, although used in the state, are not subject to such impost.

LAND TAX.

This is a tribute laid on rent arising from immovable rustic property in the Kingdom of whatever kind and to whomsoever belonging, including that belonging to the royal patrimony of the state, that is also subject to impost (although only in a nominal and figurative way), excluding only the possessions that, according to the Italian civil code of law, form the public royal patrimony of state.

The rent on which said impost is levied is that already established in the records of the Kingdom, according to the nature, quality, and class of lands (estimated property and amount of impost). But as the Italian records are not yet uniform, and there being at present a great inequality amongst the different old records of the regions of Italy, the impost is not levied by a uniform and constant aliquot on the land-tax rent levied throughout the Kingdom; but instead, and until an uniform land tax be laid and put into execution (for which an analogous law has already been passed in Parliament), the impost is applied by the so-called method of *distinct division*; that is to say, the Government fixing beforehand the total sum to be paid in the course of the year by the contributors, to whom an only and a uniform yearly aliquot is fixed, which is obtained by dividing the proportion as estimated in the records of the department to which the contributor belongs.

IMPOST ON BUILDINGS.

This also, like the preceding one, is an impost that falls to the land-tax rent, and is fixed on the basis of registered value. Therefore, by the method of the proprie-

tor's valuation and the means practiced by proper officials, called agents of the imposts, in ascertaining the precise value, approximately, the aforesaid method of applying the impost by the so-called *distinct division* is not a bad method, but a normal aliquot is applied, which at present is fixed at 12.50 per cent. on the imposable rent, besides the tenths added to it, and which vary according to the number in which they are voted by Parliament.

It is to be remarked that on both the said land taxes the provinces and commons may add a superimpost tax that must in no case exceed that contributed to the state. Then all three of the aforesaid imposts, including the income tax, are exacted according to normal catalogues drawn up purposely by the impost agents, which are noted and signed by the intendents of finances, and made executive by the prefects of the provinces, are consigned to the collectors for collection, notice having been previously given to the contributors by the syndics of the communes that the catalogues are to be seen at the collector's office.

These last-mentioned persons are not Government agents, but simple "undertakers," who, by an offered security, assume the obligation at their own risk and danger of exacting during five years the imposts of a determined commune or communes at a relative fixed discount not exceeding 3 per cent., when the collectorship is conferred by concurrence at public sale on a fixed day and hour, after which the collector is named and no further offers are accepted.

Thus far as regards direct imposts.

I shall now treat more succinctly of the indirect imposts in vogue at present in Italy.

CUSTOM-HOUSE DUTIES.

This tribute, as is well known, is imposed on goods entering and leaving, or rather going out of the state, and therefore is otherwise titled, confine, or limit tax.

It is not collected either by catalogue, fixed period, or within a determined time, but only when goods pass the confine, and it is therefore naturally an indirect tax; and also because, being received from a merchant, it bears indirectly on the consumer, who discounts it by paying a higher price for the goods. It is also natural that by means of a special tariff, in which all goods existing in commerce are foreseen, the tax is received according to the category under which the merchandise is found classified. In the custom-house tariff of Italy there are twenty categories, under each of which assimilated goods are to be found noted.

It would be a long task to speak of the custom-house documents of Italy, which are simplified now in such a manner that, without affecting the rights of the exchequer, they render all custom-house operations quick and easy; nor shall I speak of the various orders respecting smuggling and contraventions of the law on this subject, in Italy, of great resource to the revenue in present times, so favorable to liberal commerce and navigation. It is well to mention that besides custom-house duties, Italy derives a fairly good profit from health office and maritime dues.

TAXES ON PRODUCTS.

There exists also in Italy the so-called taxes on products. (1) They affect the manufacture of alcohol, beer, and gas-waters; (2) the manufacture and selling of gunpowder; (3) the cultivation of tobacco in Sicily; (4) the manufacture of sugar.

CONSUMPTION TAX.

This tax strikes a long series of articles of consumption, specified by law, when entered into closed commons (public grounds); and on open commons, when the article entered is for use or for sale by retail; and in the act of slaughtering oxen, pigs, goats, and sheep.

There is a tariff existing, applied to this tax, which is received either by Government directly through its agents, or by a discount with the closed commons and voluntary union formed by the open commons, or by contract with "undertakers."

PRIVILEGES.

The Italian Government also draws a great revenue from a privilege reserved to itself in the sale of tobacco, snuff, and the sale of salt except in the islands of Sardinia and Sicily, where the privilege has not been extended on account of natural conditions.

REGISTER TAXES.

All deeds of a public and private nature, civil and commercial, are subject to registry, which consists in entering the deed in a public registry, designated for that

purpose, which constitutes their legal existence, and manifests their import, and as regards private acts and contracts, gives them a fixed period. In accomplishing such formality, a tax is paid, called register fee, on the basis of an analogous tariff. It is applied in a proportionate and gradual manner on deeds, binding or freeing a person, for sums received or paid, or on transfer of property, use of profit of lauded or other property, or other right transferred by act, during life, or from date of death; (2) on acts that do not specify either engagement or delivery, but a simple declaration or attribution of value or right without making a transfer; (3) on other civil, judicial, or extra-judicial deeds that serve as titles or legal documents.

For the sake of brevity, I will say that the aforementioned register tax, regarding civil and commercial acts, is styled "covenant tax;" regarding transfer, caused by death, it takes the name of "hereditary tax," and as respects the judgment of a magistrate, it takes the name of "judiciary tax."

It must be observed that the hereditary tax is always levied in proportion to the value transferred by cause of death, "deducto ære alieno;" whilst the covenant and judiciary taxes are levied in a proportionate gradual and fixed way, according to the above stated nature of the acts it strikes.

STAMP TAX.

This tax is applied to all acts on writs containing transfer of things or rights, or that have otherwise to be laid before a magistrate or other Government authority. This tax differs in its character from the preceding one, which is likewise applied to all acts, register generally being levied in progressive proportion to the value of the thing contracted for, whilst the stamp tax is levied in an established way on the written deed that contains the contract, whatever may be the value of the thing contracted for, excepting in bills of exchange, which are always subject to a gradual tax relative to the amount for which they are drawn. The tax now spoken of is paid by using the stamped paper, which is manufactured and sold on account of the state, and in certain cases as determined by law, by affixing stamps to any other species of paper, which stamps are also manufactured and sold for account of the state, or by the impression of a special stamp.

As supplementary to the stamp tax the so-called circulation tax also rules in Italy. It affects bills issued by societies and other institutions of credit, to all of which it would have been a difficult matter to impress the stamp. This stamp, in addition to that of the stamp tax, is proportioned to the amount of bills and notes put into circulation. Then, as such titles of credit, notes, shares, and obligations issued by the institutions of credit become objects of negotiation afterwards, and do not therefore remain as simple substitutes of money; they confer powers and rights which otherwise ought to have been conferred by an adopted bond and become subject to the so-styled company tax, which also prevails in Italy, which is a substitute for the stamp and register taxes.

TAXES ON GOVERNMENT GRANTS.

For the greater protection of public order, which is the duty of the state, a special permit is necessary for citizens when practicing certain rights, such as setting up places of public resort, as hotels, eating-houses, etc. Besides that, the State has the faculty of granting titles of nobility, orders of knighthood, change of surnames, and permits of burial in other places than those generally designed therefor.

Now, if such concessions were made from one to the other citizen, they would without doubt be subject to the register tax, and therefore, in place of this tax, the so-styled government grant tax was imposed, which represents, besides, the retribution of a service that the state renders to citizens at their request, and which is well due, particularly when it is a case of favoring the wealthy class with ancestral family distinctions. Therefore, there is a tariff attached to all the aforesaid concessions, and on the basis of which the corresponding tax is collected.

MORTGAGE TAXES.

Mortgage titles, the renewals, copy of deeds and contracts, the substitution and subentry in mortgage, registered in favor of another person, the canceling of mortgages, and all the formalities that are discharged in the mortgage registry offices in Italy, are subject to a tax, guided by a special tariff, and this tax also represents the recompense of a public service rendered by the state to the citizens at their request.

TAX ON ECCLESIASTICAL PROPERTY.

This tax is in vogue in Italy also, on church property. It strikes the rent of those public establishments which since their foundation were declared inalienable.

This tax, by the way in which it is collected, on account of its intrinsic nature also, would have all the characteristics of the direct impost. However, it became adopted in Italy as a substitute to the registry and hereditary tax.

In fact, all property held by private people and companies that is not of a perpetual nature, from its commencement or afterwards, or from one motive or another undergoes transfers and changes. The state receives the tax register or succession tax. Not so, though, for corporations bearing a perpetual character, and whose property is inalienable; such are not subject to the said taxes, and therefore in substitution of the same the state has prudently imposed the aforesaid special tax on ecclesiastical property.

I have deemed it a duty to reply to your valued favor with these brief indications respecting the entire tributary system of the Kingdom.

The imposts and taxes in Italy, as you will have been able to understand, are all on an extensive basis, and principally directed to strike the rent and the impulse of the contracting engagements and business, without regard to the quality or the social class of citizens themselves.

The classes possessing less are favored, not by special disposition, but by the intrinsic nature and organization of the tributary system itself, others, which being exempt from tax on minimum parts of rents, foreseen by various laws, the less rich classes, derive a profit from it.

CARPI,
The Intendant.

To the CONSUL of the UNITED STATES,
Palermo.

MILAN.

REPORT OF CONSUL CROUCH.

An adequate presentation of the state of taxation in Italy is a task rendered difficult by the multiplicity of the laws and an absence of uniformity in the legislation. Not only do local taxes vary, but general taxation differs in different localities, and certain sections have greater burdens to bear than others. As a remarkable example of this condition of affairs the taxation of land in Lombardy may be instanced, which is still in accordance with a law of the preceding century, and is calculated in a currency now obsolete.

DIRECT TAXES AS LEVIED IN MILAN.

1st. Land taxes are levied and collected by the general government. The consumers and provinces levy an additional tax. The tax is on the productive value or rent of the land. Lands are still taxed according to the old assessment of 1750, in a currency composed of scudi, Milanese lire and ottavi. The scudo contained six Milanese lire, the lira eight ottavi. As near as I can determine the scudo was worth about 4.25 lire of the present currency.

Each scudo pays to the general government 17.2941 centesimi; province, 4.2448 centesimi; commune, 14.6066 centesimi; total, 36.1455 centesimi.

The expenses of collection for the commune and the general government are assumed by the commune, and amount to 66 centesimi on every 100 lire according to the commune. For the province there is an additional expense of 10 centesimi for every 100 lire collected.

2d. The taxes on buildings are imposed on the taxable rent as follows:

For the general government, 16.25 per cent.; province, 3.5161 per cent.; commune, 12.1617 per cent.; total, 31.9278 per cent.

The taxable rent is three-fourths of the actual rent.

3d. *Income tax.*—General government, 1.320 per cent.; expense of collection, .36452 per cent.; total 1.356.

COMMUNAL OF CITY TAXATION.

The following taxes, wholly or in part, are the chief sources of revenue to the commune: (1) Octroi duties (in part); (2) tax on land (in part); (3) tax on buildings (in part); (4) income tax (in part); (5) tax on public employés, and for various concessions; (6) special city taxes: 1st, on carriages and servants; 2d, the practice of a profession, trade, or business; 3d, on horses; 4th, on cattle; 5th, on dogs.

Octroi duties.—Octroi duties are imposed on articles entering the city gates, mainly food, beverages, fuel, and the like, and may be divided into three categories:

First. On a certain number of articles the revenue from which accrues wholly to the commune.

Second. On the remaining articles the revenue from which is divided between the general government and the commune in the proportion of about three to one.

Third. An extra tax on the preceding category for the exclusive benefit of the commune.

Tax on land.—As already explained, the share of the commune is 12.2448 centesimi on every scudo levied.

Tax on buildings.—As already explained, 12.1617 per cent. of the taxable rent accrues to the commune. New buildings are exempt for two years.

Income tax.—The commune is allowed a small proportion of two categories, B. C., of this tax.

Tax on public employés, and for various concessions.—All public employés pay a certain tax on their salaries.

The various concessions consist mainly in permission to occupy public space, as in the case of cafés, in front of which are placed tables and chairs; for awnings projecting into the street; for projecting windows and balconies; the permission to build, and to occupy the street with building materials, and other similar privileges.

Special city taxes.—First. Carriages and servants. Public vehicles are divided into classes: First. Those running between fixed points at fixed times, or otherwise, such as omnibuses, trams, and the like. Of these such as have places for more than eight persons pay yearly 60 lire; the others, 40 lire. And, second, other public vehicles, such as cabs, livery carriages, and the like, which pay yearly 30 lire each.

Of private carriages, the four-wheeled, with places for more than three, including driver, and all four-wheeled, drawn by two horses, pay yearly 60 lire. Four wheeled carriages, drawn by one horse, with places for three or less pay yearly 30 lire. Two-wheeled carriages pay yearly 15 lire.

All vehicles bearing crest or coat of arms pay double the above rates.

For every servant, of either sex, or any age, the employer pays a yearly tax of 10 lire for male and 5 lire for female servants.

(2) The practice of a profession, trade, or business. All persons practicing a profession or engaged in any trade or business of any kind are subject to this tax. According to the importance or lucrativeness of such occupation there are distinguished thirteen categories, of which the highest pays annually 300 lire, the lowest 5 lire.

(3) Horses: Carriage-horses and all others for personal use, convenience, or as a luxury, pay a yearly tax of 40 lire each. Horses used only for business purposes, transport of merchandise, and cab-horses and the like are exempt from this tax.

(4) Cattle: This tax is as follows: Oxen and bulls, each yearly, 1 lire; mules, each yearly, .75 lire; asses, each yearly, .50 lire; cows and heifers, each yearly, .50 lire; calves, more than a year old, each yearly, .25 lire; hogs, weighing more than 50 kilograms (132 pounds), yearly, .25 lire; sheep and goat, each, yearly, .20 lire.

(5) Dogs: For each dog the owner has to pay an annual tax of 30 lire.

PROCESS OF COMMUNAL TAXATION.

The revenue derived from communal taxation in the city of Milan, for the year 1885, is exhibited in the following table.

	Lire.
I. Octroi duties:	
First class, communal	2,468,912.25
Second class, communal, total, 4,707,665.09 lire, thus divided	
To the General Government	3,665,000.00
To the commune	1,142,605.09
Third extra communal	2,092,670.08
I. Land tax, communal quota	226,473.64
III. Buildings, communal quota	3,064,998.00
IV. Income tax, communal quota	253,087.76
V. Tax on salary of public employés and for various concessions	489,001.06
VI. Special taxes:	
(1) Vehicles and servants	195,568.75
(2) Practice of trade, profession	546,675.45
(3) Horses for personal use	39,700.00
(4) Cattle	7,016.95
(5) Dogs	69,675.00
Total communal taxes	10,569,444.04

Balance-sheet of the city of Milan for the year 1885.

RECEIPTS.

	Francs.
Income from communal property	1,097,105.12
Total octroi duties	9,269,247.42
Land and buildings	3,291,471.15
Income tax	253,087.76
Salary tax, etc	489,601.06
Special taxes	858,636.15
Theaters	123,091.99
Re-imbursement for anticipated expenses	443,397.42
Total	15,825,637.57
Surplus of receipts over expenditures	135,995.26

EXPENSES.

ORDINARY.

Expenses for management of communal property and interest on city debt	4,248,483.83
City government expenses, *i. e.*, salaries of officials, pensions, office rent, etc	1,055,757.93
Tribunal expenses, *i. e.*, rent, furniture, etc., of courts of justice, and public security, *i. e.*, pay of guards of public security, furniture, rent, etc., of barracks and rooms	244,365.32
Octroi:	
Proportion paid to General Government	3,665,000.00
Expenses	822,394.86
Hygiene, *i. e.*, vaccination, inspection of slaughter-houses, meat, etc., city laboratory, and city guards or police for public surveillance	469,064.30
Street-cleaning, sprinkling, etc	271,733.88
Street-lighting	447,747.72

	Francs.
Fire department	138,309.56
Repairing and keeping in order streets, parks, etc	299,739.41
Public worship	4,870.67
Burial service	22,131.15
Public instruction	1,709,029.55
Charities	677,547.93
Celebration of public holidays	36,589.07
Levy of soldiers	10,377.09
Miscellaneous	92,508.93
Theaters	380,491.51
Anticipated expenses	446,473.54
EXTRAORDINARY.	
Cholera	50,384.88
Public instruction	4,295.90
Public works	561,128.83
Theaters	30,000.00
Miscellaneous	101,217.37
Total	15,689,643.31

The debt of Milan on January 1, 1885, was 82,187,593.09 francs.

EFFECTS OF TAXATION.

Taxation in this city does not, as far as I have been able to ascertain, either favor greatly or press heavily on any particular industry. The opinion seems to be that, in a general way, the high taxes operate unfavorably in all branches. Consuming a considerable portion of the proceeds and thus diminishing the profits, they deaden commercial enterprise and retard the development of industries for which the country is fitted. As to the operation of the protective tariff, I have conversed with manufacturers who stated that in their particular branch they are in no way affected, as they have peculiar facilities and have no fear of competition.

This is the case in certain branches of the silk trade. On the other hand, industries have been called into existence for which the country is in no way adapted, and which, on account of successful foreign competition, are constantly in a critical condition. As an example, perhaps the cotton industry may be instanced. The lack of coal and the consequent dearness of the necessary fuel, which must be all imported, exercise a most unfavorable influence on the development of manufacturing interests and more than counterbalance the advantage of cheap labor. Manufacturers who are unable to sustain successfully foreign competition are crying loudly for higher duties. On the other hand there is a strong sentiment against the artificial development of industries for which there exist no peculiar facilities and compensating advantages, and a current favoring a reasonable and discriminating protection.

The class most seriously affected by the present high taxation is probably the agricultural class. They have seen heavy taxes bring about a steady increase in the price of the necessaries of life, with the single exception of their own chief product, grain, in which the competition of American wheat-fields has caused a marked depreciation. Naturally they are demanding redress, which for them takes the form of additional duties on foreign grain. This, as the experience of late years has shown, to be effective must be high. But it is doubtful whether even a Government so naturally disposed by its financial position to receive with favor any proposition tending to increase its reve-

nues could, under the present conditions, consent to impose so heavy a burden on the people at large for the benefit of a comparatively limited class; for it seems evident that by such a measure only the land-owners would profit, and in a country so overpopulated the great bulk of the agricultural population would remain unaffected.

HENRY C. CROUCH.
Consul.

UNITED STATES CONSULATE,
Milan, Italy, January 8, 1888.

THE NETHERLANDS.

REPORT OF CONSUL ECKSTEIN.

The system of taxation in Holland, national, provincial, and municipal, direct and indirect, may be said to be quite diversified and complex, and a full description and clear explanation of it could, I think, only be expected from or given by persons who have been long connected with or in the service of the department of finance, in assessing taxes or in collecting the revenues.

Moreover, whilst it would seem that the matter of taxation in this country furnishes abundant cause for the people to be concerned about, and whilst it is surely and generally recognized as one of great importance, yet there have been, and there are, other political and social questions which have for years engrossed and do at this time absorb a greater share of the public attention than does taxation.

The other questions referred to consist of the unsatisfactory state of the "colonies," and especially the unsettled condition of Atjeh; the revision of the constitution, and more particularly in respect of those provisions therein which have reference to the public education or the schools and to the extension of the franchise or universal suffrage.

Those are the political issues which have for some years last past, and which do now, occupy the minds, tax the wisdom and patriotism, and consume the time of the Government ministers, statesmen, and legislators of this country; furnish topics for its press, and the material for planks in the construction of platforms at elections, and the speakers discuss them almost to the exclusion of all others in their political clubs.

Thus the question of taxation, while it is far too important to be regarded with indifference, will not, for the time being, engage as much general or public attention as surely it will when once the questions above mentioned, and especially that of "the suffrage," have been settled or satisfactorily set at rest.

Under the predicaments as above set forth it became necessary for me to apply to a number of parties here pointed out as most familiar with the subject, in order to procure the information indispensable for reporting thereon anywise in accordance with my instructions.

This I did, but in nearly all cases with only very indifferent success.

The cause of this, and it can hardly be surprising when I state it, has been, that the scope of the subject, which "prevented" the Department from "framing a series of questions," was by all or generally regarded as infinitely more difficult to "answer questions" relating thereto, requiring previous thought and consideration, and involving the expenditure of a great deal of time.

However, I was at last referred to a gentleman who not only is looked upon as an excellent authority concerning matters of national finances, taxation, currency, etc., but who, it was represented to me, was otherwise so circumstanced as to be likely to extend to me substantial assistance.

I approached him on the subject and with the result of being promised available aid, without promising me, however, in what form, to what extent, or when it would be forthcoming.

The gentleman to whom this refers is a certain Gideon M. Boissevain, esq., of this city.

He was formerly and for many years engaged in the banking and commission business here, from which he retired a long time ago, and has since devoted the most of his time to the investigation and study of political and social economic questions, and in writing extensively for the periodical press and otherwise.

A few weeks ago he was decorated by the King of Italy on account of having furnished the Government of that country with an interesting and valuable treatise regarding certain affairs appertaining to the Dutch East India colonies.

On leaving Mr. Boissevain, after my first interview with him, I still remained under the impression that I would in the end, after all, mainly be thrown upon my own resources in preparing this report, and therefore set to work and wrote a part of the above preliminary remarks.

Several weeks after first speaking to Mr. Boissevain on the subject, I received one day a very polite invitation from him to come to his house and meet him at his library for the purpose of asking me some questions regarding the memorandum he promised me.

I promptly called upon him as desired, when he placed into my hands a quantity of manuscript, some eight or nine sheets of foolscap, consisting of facts and figures relating to, bearing upon, and being, comparatively speaking, a systematic exposition on the subject of taxation in Holland, in the province of North Holland, and in the city of Amsterdam.

I was most agreeably surprised by the action of Mr. Boissevain, as I certainly had neither any right nor reason to expect, or even to imagine, he would go into the matter so elaborately and take the trouble he did in the premises.

The "paper" received, being written in the Dutch language, I immediately concluded to have translated, and to adopt and submit it to the department textually, and as my or "a" report upon the subject under consideration, and without any further efforts on my part to improve or enlarge upon anything therein stated.

I feel that by so doing I am most likely best to serve the end sought to be attained by the department in asking this report, and that to evince a proper appreciation of the service rendered by Mr. Boissevain in the premises required that I should transmit the product of his labor in its entirety, which I do by subjoining, in this place, a translation of Mr. Boissevain's contribution to this report as follows:

[Translation.]

PUBLIC, PROVINCIAL, AND LOCAL TAXATION IN THE NETHERLANDS,

By GIDEON MARIA BOISSEVAIN,

Member of the Committee of Assistance of The Netherlands Statistical Institute, etc.

PUBLIC TAXATION.

The budget of public revenues for the Netherlands for the financial year 1887 amounts to 115,971,225 florins, including the following revenues which are not derived from taxation:

	Florins.
Revenue of crown lands	2,400,000
Proceeds of sales of crown lands	250,000
Postal-service revenue	5,550,000
Telegraph service	1,092,100
Proceeds of the Government lottery	661,475
Shooting and fishing licenses	144,000
Pilotage duties	1,000,000
Mining duties	3,225
Share of Government in the proceeds of the state railways	2,080,000
Miscellaneous revenues and casualties	4,328,675
Share of the Netherlands-India finance department in the expenditure for interest and redemption of consolidated and floating debt	2,352,150
Total	19,861,625

Besides, in the revenues from taxation is included the poll-tax (personeel) for the total amount of 10,898,500 florins, because this tax is collected by Government. As, however, a sum of 8,570,000 florins of the proceeds is paid over to the localities, this tax so far is not properly a public one.

To get at the exact figures of the Government taxes, the above-mentioned sums of 19,861,625 florins and 8,570,000 florins, 28,431,625 florins, are to be deducted from the total amount of 115,971,225 florins; the balance of 87,539,600 florins represents the total proceeds of public taxation.

The population of the kingdom in Europe numbers about 4,400,000; public taxes, accordingly, amount to about 20 florins per head of the entire population.

Concerning the presumptive income of the nation there does not exist reliable estimation, still less any positive knowledge. According to a very rough estimation it has been ordinarily taken to be about 700,000,000 or 800,000,000; but apparently it is in reality much higher, and the total amount of taxable income of the nation may fairly be estimated at 900,000,000 at least. Accordingly, the amount of public taxation does not exceed 10 per cent. of the general income of the population.

Some of the above mentioned items require an explanation.

Against the revenue from the postal and telegraph services, appearing on the budget of revenue with 5,550,000 florins and 1,092,100 florins (6,642,100 florins), the budget of expenditure comprises the following items:

	Florins.
Postage: head office and postal service	3,979,150
Telegraph service	1,382,370
United postal and telegraph service	742,000
Total of expenditure	6,103,520
Leaving against the estimated revenue	6,642,100
Balance of revenue as in the budget	538,580

The railways, constructed for account of the state, are worked by various companies against payment to the state of a share in the net earnings. This share in the net earnings of the state railways appears among the revenues for 2,080,000 florins.

The item, contribution by the Netherlands-India finance department, towards the expenditure for interest and redemption of consolidated and floating debt, amounting to 2,352,150 florins, is due to the financial accounts of the country and of Netherlands-India being kept separately; but when money is to be raised for India, by way of a loan or in the shape of floating debt, such debt is contracted by the state of the Netherlands. Accordingly the Dutch budget of expenditure contains for interest and redemption of public debt a sum which is being paid for account of the Indian treasury, and against which there is an item under "revenues" to the same amount, for the re-imbursement of such sums by the Indian treasury.

On the Dutch budget the above-mentioned sum of 87,539,600 florins, revenue derived from taxation, is brought under different heads, as follows:

		Florins.
A. Direct taxes:		
Ground-rent		11,462,100
Poll-tax (personeel)*	10,898,500	
To deduct: Sums allotted to the localities†	8,570,000	
		2,328,500
		13,790,600
Licenses (patent)		4,262,400
B. Excises:		
Sugar	8,000,000	
Wine	1,850,000	
Spirits, inland and foreign	23,200,000	
Salt	3,700,000	
Soap	1,840,000	
Beer and vinegar	950,000	
Meat	2,800,000	
		42,340,000
C. Indirect taxes:		
Stamp duty	3,150,000	
Registration duty	7,500,000	
Mortgage duty	900,000	
Succession and transfer duties on decease	10,453,500	
		22,003,500
D. Import duties		4,912,000
E. Stamp and duty on wrought gold and silver		231,100
Total, as above		87,539,600

This classification, taken in an economical sense, is in some measure incorrect and generally without signification.

It is incorrect because, under the so-called direct taxes, no distinction is made between real and personal taxes; because the registration duties include also the transfer duty on immovable property, which is actually nothing but an increase to the ground rent, although this increase works unevenly and therefore unjustly; because the succession and transfer duty are through their nature a personal tax, or income tax after the personal estate, levied only in case of transfer by inheritance; and, moreover, an income tax of unequal burden, inasmuch as the duties vary

* Though retaining here, as elsewhere in this report, the words of the consul, the Department believes this to be a wrong translation of the term. It is not a poll-tax that is intended, but a tax on personal property, nearly akin to the "taxe personelle" of France.

† In the official documents this item is not deducted from the revenue, but added to the expenditure.

according to the property being transferred in the direct or the collateral line.

According to their nature, the whole of the taxes is to be subdivided as follows:

I. *The real taxation, called ground rent, levied on housed and landed property.*—This tax is a real one, because it is adherent to the property, whoever the proprietor may be, and whether the property is mortgaged or not. Accordingly it is not the gross income which is considered as the real produce of the property, but the net revenue; that is, the revenue minus the ground rent; and, in case of sale, the price is calculated after this net revenue. Thus the ground rent is not levied from the proprietor of the estate, but the possession of immovable property is subject to a tax on the annual produce in favor of the treasury.

The registration duties, levied on transfer of immovable property, are of the same nature as the ground rent, with the difference that they are not raised from the annual produce, but from their value, and solely in case of transfer into other hands.

The sum total of real taxation on housed and landed property is thus to be put up as follows:

	Florins.
Ground rent proper	11,462,100
Transfer duty, forming part of the registration duties	4,700,000
Total	16,162,100

II. All other taxes may be brought under two categories: (*a*) taxes levied on presumptive income; (*b*) taxes levied on expenditure; and in both these categories there are to be discerned direct and indirect taxes.

(*a*) Taxes levied on presumptive income: A properly-called income tax does not exist in the Netherlands as a public tax, but the following are to be considered as taxes after the presumptive income:

As direct taxes: The succession and transfer duties mentioned above, a personal tax after the estate, which is not levied as an annual tax on the revenue (the income), but from the capital as often as the property changes hands on decease; the license duty, a tax after the presumptive income, derived from commercial or industrial pursuits.

And as indirect taxes: The stamp, registration (after deduction of the transfer duty), and mortgage duties, all of them being taxations on the income derived from capital or labor; but not for as much as said income is personally enjoyed, but as often as any proceeding may be taken by any one which is subject to stamp, registration, or mortgage duties.

On the budget of revenue for 1887 the above-mentioned taxes appear as follows:

		Florins.
Direct taxes after the presumptive income:		
Succession and transfer duties		10,453,500
License duty		4,262,400
		14,715,900
Indirect taxes after the presumptive income:		
Stamp duties	3,150,000	
Registration duties after deduction of transfer duties	2,800,000	
Mortgage duty	900,000	
		6,850,000
Total		21,565,900

The whole of these taxes may again be subdivided, as raised on income derived from industrial sources (commercial, agricultural, manufacturing industry, navigation, and retail business), such as—

	Florins.
License duty	4,262,400
Stamp duties	3,150,000
Registration duties	2,800,000
Mortgage duty	900,000
Total	11,112,400
As a taxation on property:	
Succession and transfer duties	10,453,500

The total amount of private national fortune in the Netherlands has been calculated to be about 9,000,000,000 florins, making, at the rate of 4 per cent., an annual income of 360,000,000 florins. The succession duty of 10,453,500 florins would accordingly be equal to an income tax averaging about 3 per cent.

(*b*) *Taxes on expenditure.*—The tax called "personeel" (poll-tax) is a pure direct taxation on expenditure, though exclusively on the basis of a few particular items of household expenditures, which are undoubtedly connected, however, with the individual tax-payer's general style of living. In fact, this tax is levied after the house rent, the number of doors and windows, fire places, furniture, servants, and horses.

Originally the "personeel" tax was a pure government tax, but on the abolition of local excises in 1865, four-fifths of the proceeds of the tax were allotted to the localities as an indemnity for the loss suffered by them through the said abolition. In 1885 this arrangement was modified in this way, that the share allotted to the localities was fixed once for all on four-fifths of the proceeds of the years 1882–'85, all further increase to accrue to government exclusively.

Proceeds of this tax for 1887, as mentioned above:

	Florins.
Carried on the budget of this year for	10,898,500
To deduct share allotted to the localities	8,570,000
Balance	2,328,500

Indirect taxes on expenditure are:		
The excises, estimated for 1887, as mentioned above, at a figure of	42,340,000	
Import duties	4,912,000	
Duty on wrought gold and silver	231,000	
		47,483,100
Total		49,811,600

Summing up the preceding figures and classification of government taxation, we find:

		Florins.
Real taxes:		
Ground rent and transfer duties		16,162,100
Taxes assessed on income:		
Direct ones	14,715,900	
Indirect ones	6,850,000	
		21,565,900
Taxes assessed on expenditure:		
Direct ones	2,328,500	
Indirect ones	47,483,100	
		49,811,600

Making for the latter two categories :	Florins.	Florins.
Direct taxes:		
On income	14,715,900	
On expenditure	2,328,500	
		17,044,400
Indirect taxes:		
On income	6,850,000	
On expenditure	47,483,100	
		54,333,100
Total		87,539,600

In reply to the question, if public taxation in The Netherlands lays on any particular class or part of the population a heavier burden than on the population generally, it is in the first place to be borne in mind that it is always difficult to find the right answer to such a question. On treating this subject the fact is often lost sight of that social circumstances modify themselves according to the laws on taxation. For instance, in our system of taxation the excises—among them excises on the first necessities of life—take a relatively large place. As a matter of course the less privileged classes of the population—in the first place the workingmen—are heavily burdened by this tax. But those who arrive to this conclusion do not take into account that wages regulate themselves everywhere after local circumstances. When prices of the first necessities of life are high, wages as a rule will be high also.

Nevertheless there are many reasons why taxation by means of excises on the first necessities of life is always to be disapproved of. Accordingly, abolition of the excises on salt, soap, and butchers' meat is advocated by many in The Netherlands. About the sugar excise, a very intricate problem, opinions are not so unanimous.

Moreover, on considering the high total of excises in The Netherlands, it is to be kept in mind that among the figures of 42,000,000 florins the excise on spirits appears with 23,000,000 florins. Though the greater part of these 23,000,000 florins are paid by the lower classes, spirits can hardly be called a first necessity of life.

With all this, the system of public taxation in The Netherlands is far from answering to legitimate expectations. Firstly, because the direct and indirect taxes assessed on the presumptive income offer but a most incomplete and inadequate supplement to the taxes on expenditure for obtaining jointly with the latter a complete system of taxation of every individual according to his worth. It is an undeniable fact that first of all the great fortunes do not pay their proportionate share in the public taxes. In some measure this is compensated by the local taxes, of which local income taxes form very generally the greater part. But this remedy to the existing evil works in a very unequal manner, and moreover the local income taxes are themselves defective in many respects. Secondly, because some of the duties as well in category II*a* as in category II*b* are themselves open to serious criticism.

For instance, the license duty burdens in a very unequal manner the revenues from business sources; the duty is raised after rather arbitrary valuations, the real revenues not being taken into account at all.

Still less of a system is to be found in the stamp and registration duties, as also in the mortgage duty. Properly these duties ought to be only retributions for special services performed by Government, but in the long way they have degenerated into means of tax raising. It is not surprising, accordingly, that they have little system in them.

The tax on "personeel" gives equally cause to serious criticism in various points of view. Generally speaking the middle class, the working

class, is far too heavily burdened by it. To judge of the damage it causes to a certain class of tax-payers the total proceeds of the tax is to be considered, and not its proceeds as a government tax alone. And the evil is the greater, as the same tax is again one of the chief sources of income for the localities, which are allowed to raise additional percentage on it.

However, against these defects in the system of public taxation or of taxation in general in The Netherlands there are some considerable advantages to point at in the history of taxation in The Netherlands during the past thirty or thirty-five years.

Next to England, The Netherlands is the only country where the system of free trade has found an earnest and complete application. The tariff of import duties is a purely fiscal one; the rates are very low, and a great many articles are absolutely free.

The sugar excise alone is an indirect protection of the beet-sugar industry and the sugar refineries, calculated actually at about 2,000,000 florins a year. But besides this there is in the Dutch laws on public taxation not a single remnant of protection, neither to agriculture, nor to commerce and industry.

Moreover, the abolition of all local excises, as also of the government excises on most of the necessities of life, have been as many steps in the right direction of alleviating the burden laid by taxation on the working classes.

It is not to be denied that the history of Dutch laws on taxation for the past thirty-five years shows a constant tendency to improve the people's food, as well to take away the impediments to free production.

PROVINCIAL AND LOCAL TAXES.

The Dutch tax-payer is subjected, besides the public taxes, to provincial and local taxes.

Provincial taxes consist chiefly of additional percentage on the ground rent and "personeel," local taxes likewise of additional percentage on ground rent and "personeel," and besides, of a head tax, which is properly an income tax, or a tax on the presumptive income, or in some instances of local direct taxes on expenditure.

Local customs duties have long been abolished, and, as mentioned before, the local excises have since 1865 likewise disappeared. Only in very exceptional cases and for particular reasons some localities are allowed to raise local excises.

Some localities derive a part of their income from taxes on dogs, on public entertainments, and all of them from a license duty, established a few years ago, on the retail trade in spirits. Besides, some localities make a source of income by working a gas factory for their own account, or by granting concessions for the working of a gas factory, or of waterworks, under charge of payment to them of a share in the profits. On the same terms there has been granted in Amsterdam a concession for operating tramways. Finally, Amsterdam and some other localities raised a tax named street-money, that is to say, a contribution from the houses for the maintenance of the pavement, the sewers, etc.; but after all it is nothing but an indirect increase to the tax on housed property, for which the law on local administration fixes a maximum, thus rendering a direct increase of this tax, as a local taxation, impossible. Sometimes there are duties levied for the use of establishments destined to particular services, as port duties, sluice, bridge, and ferry tolls, market duties, etc.

PUBLIC, PROVINCIAL, AND LOCAL TAXATION.

The following tables give a few particulars concerning some of the above-mentioned taxes. They relate, however, to past years, and of course can not yet be given for 1887.

We observe that the ground rent on landed property is still raised after a totally antiquated estimation of the tributary revenue. That on housed property, however, has of late been subjected to a revision terminated in 1876. How little the antiquated estimation was in accordance with the actual circumstance may be seen from the fact that the total tributary revenue of housed property rose from 31,201,480 florins in 1875 to 74,501,528 florins in 1876. A revision of the tributary revenue of landed property is now being prepared, and is expected to have a similar result as that of housed property. This is to be kept in mind on forming a judgment as to the burden which the ground rent lays on landed property.

Statement showing the amount of ground rent on landed property in all the provinces of the Kingdom in 1885, *as it is raised for Government, for the provinces, and for the localities.*

	Florins.
Principal of the tax	5,521,000
Two and one-half additional per cent. for Government	1,187,000
Total of the tax for Government	6,708,000
Additional percentage for the provinces	1,129,000
Additional percentage for the localities	532,000
Total for Government, provinces, and localities	8,369,000
Tributary revenue (estimated)	46,313,000
Proportion to the tributary revenue:	
For the principal	119,223
For the totality of the tax	80,738

Statement showing the amount of ground rent on housed property in all the provinces of the Kingdom in 1885, *as it is raised for Government, for the provinces, and for the localities.*

	Florins.
Principal of the tax	4,533,000
Additional percentage for the provinces	611,000
Additional percentage for the localities	1,764,000
Total for Government, the provinces, and localities	6,908,000
Tributary proceeds (estimated)	87,114,000
Proportion to the tributary proceeds:	
For the principal of the tax	52,039
For the total of the tax	79,320

Statement showing the total amount of direct taxes (direct ones after the official classification) for Government, the provinces, and localities in 1884.

[Principal and additional percentage in thousands of guilders.]

	Government.	Provinces.	Localities.	Total.
Ground rent:				
Landed property	6,704	1,128	532	8,364
Housed property	4,425	600	1,721	6,746
"Personeel" tax	2,342	974	13,161	16,477
License duty	4,497	.....	.....	4,497
Tax on horses	.....	155	.....	155
Head-money, being local taxes on incomes or expenditures	.....	.....	9,938	9,938
Taxes on dogs, public entertainments, and licenses for sale of spirits	.....	.....	1,615	1,615
Total	17,968	2,857	26,967	47,792

EXPENSES OF COLLECTION OF PUBLIC TAXES.

On the budget for 1887 there appears an item of expenditure:

	Florins.
Expenses of management of the various taxes, imports, duties, and excises, and of stamp and duty on wrought gold and silver	4,198,279
To deduct (budget of revenue, head, divers income and casual receipts) repayment by provinces and localities for expenses of collection of additional percentage on direct taxes	228,000
Balance	3,970,279
Proceeds of these revenues (estimated) as above:	
Direct taxes	18,053,000
Excises	42,340,000
Import duties	4,912,000
Stamp and duty on wrought gold and silver	231,100
	65,536,100
Expenses of collecting	3,970,279
Making 6.06 per cent.	
Expenses of management of the stamp, registration, succession, and mortgage duties (estimated)	1,279,810
Total proceeds of the revenues (estimated) as above	22,003,500
Expenses	1,279,810
Making 5.81 per cent. on the total amount.	
Taxes	87,539,600
Expenses of collection	5,252,376
Making about 6 per cent.	

On the budget of expenditures the expenses for both these categories are taken together, because various items of general expense relate to different taxes collectively. Consequently a specification of the cost of collection for the different taxes is impossible.

FINANCIAL MANAGEMENT OF THE TREASURY, THE PROVINCES, AND LOCALITIES.

In order to give an insight into the direction and management of finances in The Netherlands we give herewith a summary of the budget of a province and of a town, North Holland and Amsterdam being chosen as models. The budget of Amsterdam, the principal town of the country, is best suited to give an idea of the totality of local administration.

Beforehand, however, we give a summary of the Government budget, so that the summary is a complete one.

Budget of public expenditures for 1887.

	Florins.
The King's household	650,000
High colleges of state and King's cabinet	616,007
Foreign office:	
Cost of the department	77,500
Cost of foreign diplomatic and consular service	540,300
Miscellaneous expenditure	24,900
Pensions and allowances	28,451
Contingencies	10,000
	681,151
Justice department:	
Cost of the department	135,850
Cost of courts of law	1,669,281
Cost of high military court and local courts in the military districts	51,300
Law charges	340,100

	Florins.
Justice department—Continued.	
Cost of general government police	535,125
Cost of prisons and reformatories	1,084,393
Buildings	308,640
Cost of government workhouses and of the penitentiary Ommerschans	573,281
Pensions, allowances, and gratuities	295,189
Miscellaneous expenditure and contingencies	66,600
	5,059,759
Home office:	
Cost of the department	149,310
Cost of management of the provinces and other expenses of home administration	850,215
Militia and national guards; salaries of militia commissioners	65,350
Medical police (sanitary service)	695,009
Education:	
Higher education	1,584,248
Middle class education	1,074,515
Primary education, including indemnities to localities for expenses of their primary education	4,744,004
Art and science	493,397
Official paper and government reports (Nederl, Staats-Courant, and Staatsblad)	82,920
Pensions, allowances, and gratuities	404,050
Contingencies	40,000
	10,183,018
Naval service department:	
Cost of management	363,145
Material of the naval force and naval establishments	4,177,370
Wages to seamen and marines	4,478,630
Pilotage, coast-guard service	1,778,237
Pensions, allowances, etc	1,192,873
Contingencies	60,000
	12,050,255
National debt:	
Interest, annuities, etc	31,763,614
Redemption and extinction of debt	2,107,700
	33,871,314
Cost of the department	316,395
Cost of the grand books of the national debt, payment of interest, agency of the treasury department at Amsterdam	90,775
Cost of the treasury	96,400
Cost of coinage	41,875
Credit for withdrawal of coin (silver)	5,000,000
Cost of management of direct taxes, import duties, excises, and stamp on wrought gold and silver	4,198,279
Cost of revision tributary proceeds landed property	268,000
Cost of stamp, registration, succession, and mortgage duties	1,279,810
Cost of crown lands, fisheries, etc	316,160
Share allotted to the localities in the tax called "personeel"	8,570,000
Cost of the churches	1,978,660
Pensions, allowances	1,099,591
Miscellaneous expenses and contingencies	67,300
	23,323,245
War department:	
Cost of the department	143,750
Wages and allowances to the staff	254,320
Pay to officers, effective service	2,941,732
Pay to the corps	8,495,824
Medical service	919,525

	Florins.
War department—Continued.	
Education and instruction	306,297
Artillery establishments, etc	933,150
Stores of engineer corps	669,830
Cost of central clothing establishments and supplies, etc	342,400
Military reconnoitering, transports, etc., and miscellaneous expenditure	324,150
Half-pay, pensions, etc	1,768,800
Contingencies	50,000
Corps of mounted police	284,058
Extraordinary expenditure, supply of artillery stores, construction of barracks	1,242,400
Construction of fortifications	1,677,780
	20,354,016
Department of Waterstaat (commerce and industry):	
Cost of the department	190,945
Florins.	
Waterstaat (including extraordinary works of displacing the mouth of the Maas) 3,000,000	
Canal of Rotterdam 1,500,000	
Canal, Amsterdam-Merwede 4,150,000	
Railway construction 1,300,000	
	*16,781,677
Commerce and industry: Meteorological institute, sea fisheries, stamping of weights and measures, steam machinery	268,280
Postal and telegraph service	6,103,520
Government postal savings-bank, etc	93,974
Pensions, allowances, etc	168,500
Contingencies	60,000
	23,666,896
Colonial department:	
Cost of the department	188,675
Expenditure on behalf of the colonies Surinam and Curaçoa	1,033,905
Pensions, allowances, etc	47,928
Contingencies	40,000
	1,310,508
Contingencies	50,000

SUMMARY.

The King's household	650,000
High colleges of state, etc	616,007
Foreign office	681,151
Justice department	5,059,759
Home department	10,183,018
Naval service department	12,050,255
National debt	33,871,314
Treasury department	23,323,245
War department	20,354,016
Waterstaat (commerce and industry)	23,666,896
Colonies	1,310,508
Contingencies	50,000
	131,816,169
Against this total of the budget of expenditure	131,816,169
The total of the budget of revenue amounts to	115,971,225
Leaving a deficit of	15,844,944
Under expenditure is comprised the credit for withdrawal of silver coin, which will probably not be disposed of after deduction of this item (say)	5,000,000
The deficit remains	10,844,944

* This is the total given by the writer.

Against this deficit the following items of expenditure are considered as extraordinary ones:

	Florins.
War, fortifications	1,677,780
Waterstaat:	
Displacing of the mouth of the	3,000,000
Maas, canal of Rotterdam	1,500,000
Canal Amsterdam, Merwede	4,150,000
Railway, construction	1,300,000
	11,627,780

Which the Government intends to cover by a loan, as they are not to be paid from the ordinary revenue. Besides there are under expenditure as well as under revenue a few items of little importance, which can be left out of the ordinary expenditure and revenue. Consequently Government pretends that the ordinary expenditure and revenue are in equilibrium, and as for the extraordinary expenditure, it will be covered by a loan as soon as the position of the treasury will require such transaction.

The opinion that the principles of sound financial management are not opposed to the above-mentioned so-called extraordinary expenditure being covered by a loan, has not remained uncontested, as far as the greater part of this outlay is concerned. It is alleged that Government ought to cover part of the deficit on the budget by supplementary taxation.

However, the debates about the revision of the constitution, which are being carried on for some time, are the cause that the general states have provisionally acceded to the views of Government, but the opinion rather generally prevails, as well in as out of the general states, that this state of things should not be allowed to continue, and from that side Government has long since been pressed to make the necessary provisions in that direction. Those who are of this opinion wish to combine the supplementary taxation with a more or less general reform of the whole system of taxation. They wish for an income tax as a government tax, and together with it a reform not only of public taxation, but also of the local taxes. It is worth notice that the so called extraordinary expenditure do not appear on the budget for 1887 alone, but are of late returning every year (they relate to extensive public works, the construction of which is calculated to last for several years), and are to reappear for some years to come.

BUDGET OF REVENUE AND EXPENDITURE OF THE PROVINCE OF NORTH HOLLAND FOR 1886.

The salaries of the governor (royal commissioner), deputies, actuary, etc., their office and traveling expenses, as also those of the members of the provincial states, are paid from the public treasury, as appears from the statement of expenditure of the home office. For North Holland the outlay on this head, according to the budget for 1886, amounted to 74,565 florins.

The revenue and expenditure of the provincial budget are as follows:

REVENUE AS IN THE BUDGET FOR 1886.

		Florins.
Balance of year before		15,467
Additional percentage on ground rent, viz: 7 additional per cent. on principal of tax on housed property	81,003	
8 additional per cent. on principal of tax on landed property	48,848	
		129,851
Additional percentage on "personeel" tax		69,649
Receipts from properties of the province		3,232

	Florins.
Proceeds of the provincial records and other printed documents	900
Contributions of government, of the town of Haarlem, and of the board of dyke administrators of Rijnland, for maintenance of the channel in the Spaarne	1,935
Loans, for extension of provincial lunatic asylum, subsidy to a local railway, and improvement of a port	265,000
Repayment of expenses of the loan and miscellaneous receipts	3,010
	489,044

EXPENDITURE.

Cost of management, to the charge of the province	18,007
Cost of provincial record and other printings	4,200
Cost of collection of provincial additional percentage on ground rent and "personeel"	10,100
Cost of maintenance of provincial properties, etc	3,015
Maintenance of public roadways and other public works	5,675
Subsidies and contributions to—	
Maintenance of pauper lunatics	45,906
Impecunious localities	4,200
Schools, museums, and other institutions of general interest	31,323
Maintenance of private roadways and means	27,000
Extension of lunatic asylum	100,000
Construction of a local railway	150,000
Improvement of a port	32,000
Interest on public debts of the province (principal, 472,000 florins)	20,940
Redemption of the same	25,000
Contingencies	11,678
Total	489,044

BUDGET OF EXPENDITURE AND REVENUE OF THE CITY OF AMSTERDAM FOR 1887.

The budget shows the following figures:

	Florins.	Florins.
Receipts	11,437,006	
Expenditure		11,437,006
From both is to be deducted the amount of anticipation-notes to be issued for cash-requirements, and to be redeemed afterwards from the means	3,000,000	3,000,000
	8,437,006	8,437,006
From the receipts is to be deducted the proceeds of a loan	240,000	
And from expenditure extraordinary expenses, to be covered by a loan, for western general burial-place		90,000
Construction of sewers in the inner city		150,000
Balance	8,197,006	8,197,006

Being the real amount of ordinary revenue and expenditure.

These ordinary expenditure and revenue are as follows. In this table the special receipts, for as much as they go directly against the respective outlay, are mentioned separately. On the contrary, a few special disbursements, relating directly to items of revenue, are not mentioned under expenditure, but entered opposite the respective receipts:

	Expenditure.	Receipts.	Balance of— Expenditure.	Balance of— Receipts.
Subheads of the expenditure.				
Expenses of interior management:	*Florins.*	*Florins.*	*Florins.*	*Florins.*
Salaries of burgomaster, aldermen, secretary, tax-collector, and office of the latter	42,000			
Salaries to officials and general office expenses, including registers of births, marriages, and deaths, etc	284,000		326,000	
Cost of maintenance of city properties and charges due thereon:				
Wages, etc., at slaughter-house	74,000			
Maintenance of houses, towers, etc	67,000			
Sale of old stores		3,719		
Roads, streets, squares, canals, bridges, parks, etc	503,000			
Restitution of maintenance, dykes		2,000		
Ground rent, dyke and polder charges	28,000			
Restitution of ground rent		11,500	654,781	
Cost of public safety and fire-brigade, and receipts in connection therewith:				
Police	585,000	3,150	581,850	
Fire-brigade	174,000	3,000	171,000	
Street lighting	350,000		350,000	
National guard	44,500	5,400	39,100	
Local medical police	28,500	99	28,401	
Street-cleaning service (sanitary service)	590,000			
Proceeds of hearth ashes, etc		163,500	426,500	
Education:				
Primary education	1,249,200			
School money		212,500		
Contribution from treasury		300,000		
Contribution from training-school		24,000		
Miscellaneous		2,800	709,900	
Middle-class education	269,800			
School money		49,000		
Contribution from treasury		10,000		
Miscellaneous		250	210,550	
Higher education:				
University	331,000			
Lecture and examination fees, etc		86,600		
Contribution from government and province		13,000	231,400	
Gymnasium	77,000			
Receipts at the gymnasium		30,000	47,000	
Relief of the poor:				
General expense of hospitals, sanitary department poor's house, sustenance of pauper lunatics	737,000			
Restitutions and contributions		12,000		
Contributions from government, provinces, and divers		20,350	704,650	
Interest and redemption of debts (principal January 1, 1886, 50,929,450 florins)	2,155,000			
Interest of capital:				
Public pawn-house		25,000		
Workingmen's Houses Company		51,102		
Redemption of interest and capital		15,000	2,063,898	
Pensions and allowances	91,000		91,000	
Miscellaneous expenditure:				
Chamber of Commerce and Rhine Navigation Committee	7,120		7,120	
Expenses of militia and re-imbursement	5,400	2,300	3,100	
Theater and other public entertainments	15,900	6,500	9,400	
Attorney and lawsuits	11,500		11,500	
Cost of museums and receipts	7,900	6,700	1,200	
Miscellaneous	9,186	1,951	7,235	
Contingencies	92,000		92,000	
Total	7,829,006	1,061,421	6,767,585	
Subheads of receipts.				
Cr. balance of 1886		278,000		278,000
Income from estates and properties		185,500		185,500
Rent of houses and lands, interest of capital on hand, and cash		21,436		21,436
Hires of piers and quays		96,000		96,000
Proceeds of other properties		25,762		25,762

	Expenditure.	Receipts.	Balance of—	
			Expenditure.	Receipts.
Subheads of receipts—Continued.				
Taxes and duties:				
Taxes and direct expenses of collecting them, restitutions, and cancelling of invalid pretensions:				
40 per cent. additional grounds, housed property	*Florins.* 8,430	*Florins.* 311,500	*Florins.*	*Florins.*
20 per cent. additional, grounds, landed property		500		303,570
85 per cent. additional, "personeel" tax	112,840	1,171,000		
Share Government tax, "personeel"	100,010	1,200,000		2,158,150
Local income tax, 2½ per cent. of tributary income	35,700	1,784,000		1,748,300
Duty on public entertainments		29,000		
Dog tax	17	24,000		
License for sale of liquor	2,000	102,000		
Street money	200	297,000		449,783
Indirect taxes by way of contributions from companies having concessions granted to them:				
Telephone Company		30,000		
Tramway Company		62,000		
Water Supply Company		180,000		
Gas Company		690,000		962,000
Duties and direct expenses adhering to them:				
Copy-money (retributions office expenses)		27,800		27,800
Port duties	27,000	210,000		183,000
Use of city ground	601	75,001		74,400
Sluice, bridge, and ferry money	49,000	90,000		41,000
Hydraulic establishment, comm. quai		8,000		8,000
Cemeteries		26,000		26,000
Market duties	10,900	83,000		72,100
Exchange (general, corn exchange)		92,000		92,000
Retributions from private persons for divers causes		30,000		30,000
General expenses various duties	21,302		21,302	
Divers lesser receipts		6,086		6,086
Total	8,197,006	8,197,006	6,788,887	6,788,887

It appears from this statement that the ordinary net expenditure and revenue, classified in different heads of account, are as follows:

EXPENDITURES.

	Florins.	Florins.
General management		326,000
Maintenance of estates, roads, streets, squares, etc.		654,781
Public safety, etc.:		
Police		581,850
Fire brigade		171,000
Street lighting		350,000
National guard		39,100
Local sanitary service		28,401
Street-cleaning service		426,500
Education:		
Primary	709,900	
Middle class	210,550	
Higher (university)	231,400	
Gymnasium	47,000	
		1,198,850
Relief of the poor		704,650
Interest and redemption		2,063,898
Pensions and allowances		91,000
Miscellaneous and contingencies		131,555
		6,767,585

REVENUE.

Cr. balance of 1886		278,000
Revenue from city properties		328,698
Various duties and divers income	560,386	
To deduct	21,302	
		539,084

Taxes:		Florins.
Additional percentage ground rent		303,570
Additional percentage and share "personeel"		2,158,150
Local direct taxes:		
Income tax	1,748,300	
Miscellaneous	449,783	
		2,198,083
Indirect taxes in the shape of contributions for concessions granted		962,000
		6,767,585

The total amount of taxes, as raised from the tax-payers, gross amount, is:

	Florins.
Additional percentage ground rent	312,000
"Personeel" tax	2,371,000
Local income tax	1,784,000
Public entertainments	29,000
Dog tax	24,000
Licenses (sale of liquors)	102,000
Street money	297,000
Indirect taxes, accruing from:	
Telephone	30,000
Tramway	62,000
Water supply	180,000
Gas	690,000
	5,881,000
Among the duties raised for the use of public establishments the following may be considered in some measure as taxes:	
Port duties	210,000
Sluice, bridge, and ferry duties	90,000
Market duty	83,000
General and corn exchange	92,000
	6,356,000

The population of Amsterdam amounts, according to the latest census, to 372,300 inhabitants. Six million three hundred and fifty-six thousand florins makes, accordingly, about 17 florins per head.

The tributary income, of which the income tax is paid, amounted latterly to about 66,000,000 florins. On this amount, 6,356,000 florins makes nearly 9⅝ per cent.

AMSTERDAM, *April*, 1887.

Although above stated that I would not attempt to improve or enlarge on the foregoing, I concluded that adding further remarks upon certain points relevant to the subject may enhance the usefulness of what already precedes it.

Tax receipts per head.—To enable the Department in determining whether the people of the Netherlands are lightly or heavily taxed in comparison to those of other countries, I prepared and submit the next following statistical tables, which show the annual receipts per head of the population for thirty-five years, and as derived from direct taxes, import duties, excise duties, and indirect taxes.

The total revenues from these sources amounted to 25,952,566 florins in 1884, and to 26,843,417 florins in 1885, on account of direct taxes; for duties on imports were received the comparatively insignificant sums of 5,014,660 florins in 1884, and 4,949,317 florins in 1885 (facts which may sufficiently illustrate that the existing tariff on imports is very low); the collections for excise duties amounted to 40,587,227 florins in 1884, and to 42,627,033 florins in 1885, and on account of other indirect taxes to 21,564,930 florins in 1884, and 21,911,357 florins in 1885.

In this connection it may be proper to be observed that, leaving out of consideration whatever amount of good cause there may exist in this country for dissatisfaction and complaint concerning the unequal or unjust distribution of taxes among the various classes of the population capable of bearing them, there seems but little reason to pretend that under the existing system the State exacts, expects, or receives too heavy a contribution for its support from those who are least able to contribute thereto.

It may be noticed that the annual income per head of the population reaches a larger sum in respect of the receipts from internal revenue on spirituous liquors than from any other single source. This is a tax which unfortunately, and self-imposed as it may be regarded to be, is largely or in undue proportion borne by that class in the community which can least afford to pay it—by those who depend for their livelihood upon the labor they perform from day to day.

The amounts collected on account of internal revenue on spirits were in 1884 23,204,885 florins, and in 1885 23,512,258 florins.

It would also seem pertinent here to state that in the second chamber of the States General, now in session, during a discussion the other day on revision of a certain article in the constitution, an amendment was introduced, by which it it proposed to abolish the excise duties on chief (eerste) necessaries of life, to take effect on the 1st of January, 1891.

The articles this refers to are meats, salt, soap, beer, and vinegar; and by this amendment, if adopted—which, however, seems to be exceedingly doubtful—a reduction in the revenue of the country would result amounting to about 9.000,000 florins per annum; the "duties" derived from that source having amounted to 9,577,745 florins in 1884, and to 9,372,605 florins in 1885.

THE PUBLIC DEBT AND THIS CITY'S OBLIGATIONS.

As one of the heaviest burdens on the resources of the Kingdom is the sum required for the annual payment of the interest on the public debt, I deem it appropriate to state herein what it at present amounts to and the interest thereon.

According to a statement furnished me by the department of finance at The Hague, in January last, the national debt of The Netherlands is 1,082,564,150 florins, and the yearly interest thereon amounts to 31,104,723 florins.

Should further information relating to national finances, such as concerning the late conversion of a portion of the national debt, details as to revenue and expenditure, etc., be desirable, I would respectfully refer to my report of January 22, 1887.*

I would, however, further add, that the prospects for reducing the debt of this country in the near future are far from promising, but that, on the contrary, it is under existing circumstances more likely to increase.

As to the municipal debt of the city of Amsterdam, I attach hereto a statistical table showing what it consists of.

GENERAL AND CONCLUDING OBSERVATIONS.

I would repeat, to state that I realize that to convey a complete and really correct understanding of the subject in all its ramifications would require a recital, or at least a compendium or epitome, of the salient

* See appendix to this report, p. 322.

features of the many laws of the country to be given, under and by virtue of which the various taxes are imposed and its general revenue derived.

This, however, would involve furnishing full accounts of the regulations as to the many different "rates" of each tax, or the mode and manner of their being assessed, how payments are required to be made, on what accounts exemptions from the payments of certain taxes are granted; in which cases and in which forms claims for reclamations may be made and must be presented, etc.

Information of such a character would doubtless be very interesting and useful, and it is to be regretted that to embrace it in any ordinary report, or in any such as I have facilities for making, is utterly impracticable.

The laws alluded to relating to the matters in question, and which are, at this time in force, or partly so, are so very many in number that any effort to look them all up, translate, and transcribe portions of them would cause an amount of labor the performance of which would demand an indefinite period of time, and could not be accomplished without incurring a very considerable amount of expense.

As matters are I would have found myself greatly perplexed if obliged to prepare this report without outside assistance, as I should have been in a quandary as to what to say or leave unsaid, or as to where to begin or where to end—the subject being, if I may say so, altogether "too large" for any sort of intelligent, just, and comprehensive treatment in a compact or concise manner.

For a very limited exemplification of the above remarks, and before concluding, I would here briefly explain a few further particulars having reference to what are known here as "direct taxes," and which consist of ground or land tax, personal tax, and trade licenses (patentregt).

Land tax (*grond belasting*).—This is a tax which is levied on all lands whether cultivable and cultivated or not, and on all improved and unimproved real estate (gebouwde en ongebouwde eigendommen).

For purposes of assessing this tax the land is classified in accordance with its value, quality, or producing capacity; and on city, town, and other property the tax is payable in accordance with the rent value (huurwaarde) of the premises.

Exempt from the payment of this tax are, for a term of ten years, all lands which by draining and diking, etc., are first rendered cultivable.

On making improvements of any kind on formerly vacant city and town property, etc., exempts the same from the payment of land tax for eight years.

This tax is also not payable on property belonging to the State, provinces, and municipalities; nor on churches, cemeteries, and schools occupying grounds which are owned by provinces or municipalities or by recognized ecclesiastical bodies.

Personal tax (*personeele belasting*).—This denomination stands for a tax which is levied on the rent value (huurwaarde) of all premises, on doors and windows, on hearths and fire-places, on the furniture or the value thereof, on the number of servants employed, and on horses owned and used in business and for other purposes.

The rules as to assessment of this tax or taxes, which apply under the laws on the subject, are very numerous and most intricate.

The printed tax notices (beschrÿvingsbilletten) which are annually sent to, filled out, and returned by the tax-payers of this tax alone, contain printed directions to be observed so voluminous that a translated copy of one of them would cover a great many pages.

Exemptions from the payment of this tax or taxes are provided for by different laws, the application of which extends to and relieves the great mass of the wage-earning population, and most all other persons whose yearly income falls below, say, about 600 florins.

Trade licenses (patentregt).—The law which imposes this tax dates back to the year 1819. One of the officials here, charged with carrying it out, remarked to me: Though railways, the telegraph, electric lighting, the telephone, etc., have since come into operation, creating many new trades and occupations, there has been no change in the old law.

Together with the regulations and rules made under the said law providing for assessment and collection, etc., it fills a good-sized volume, and designates over five hundred different trades and occupations for which those who are engaged in them must take out licenses.

These are grouped into classes, of which there are a large number, and in accordance with one or another of which each person is assessed (aangeslagen) or is made to pay for his license.

The charge for it as to very many kinds of business is very low, amounting to only a few florins per annum, but it runs up to as much as 400 florins in certain cases.

It should be stated, also, that "licenses" are required by each member of any firm, or, in other words, one license does not entitle any firm to carry on any business, if it is composed of two or more partners.

Anonymous and joint stock companies and corporations of every description pay for their licenses (patenten) 2 per cent. on their yearly net incomes or dividends.

Exempt from this tax, or not required to have licenses, are all clergymen, lawyers, farmers, seamen, fishermen, painters, and other artists, teachers, journeymen of all trades in the employ of any master or boss, laborers, and servants.

I now learn that an act has been passed, on the 17th of last month, under which the minister of finance has ordered further to extend exemptions, as follows: To weavers who are assisted in carrying on their trade only by their wives, children, and grandchildren, no matter how many looms they may have going; also to widows who continue in the pursuit of their husbands' former and certain occupations, so long as they employ but one workman; also to cotton spinners assisted by only one workman.

Referring again to the matter of the trade licenses of "anonymous joint stock companies" (naamlooze vennootschappen) the following statements may prove interesting: The number of such "companies" of every character (financial, industrial, commercial, maritime, etc.,) is stated to have amounted, in 1883–'84, to 598, and in 1884–'85, to 616; their total paid up capital, in 1883–'84, to 331,896,088 florins, and, in 1884–'85, to 354,490,323 florins; their net earnings, in 1883–'84, to 22,366,319 florins, and, in 1884–'85, to 21,065,721 florins; and the average percentage of dividends, in 1883–'84, to 6.73 per cent., and, in 1884–'85, to 5.94 per cent.

TAXATION BY ADDITIONAL CENTS (OPCENTEN).

The above spoken-of direct taxes are not only levied and payable on behalf and in support of the General Government, but also, in a way, on account and for the maintenance of the various provinces and of the municipalities.

It is done under or by a rather peculiar system or practice, known here and named in the vernacular of the country: "de heffing van op-

centen op 's Rÿks directe belastingen" (the levying of additional cents upon the national direct taxes).

The number of these "additional cents" varies from year to year, and it also varies as regards the different provinces and municipalities.

It is established by law each year, and in accordance with the adjudged requirements and estimates of expenditure for each succeeding year, and this in respect of the general Government, the provinces, and the cities or municipal corporations (gemeenten).

The following statement and remarks may perhaps illustrate the matter somewhat more clearly.

For instance, at the several tax-collection offices at Amsterdam the receipts on account of direct taxes in 1866 were:

	Florins.
Land taxes	1,149,679.83
Personal taxes	2,735,124.69
Trade licenses	1,009,617.55
Total	4,894,422.07

This amount was collected by or paid to National Government Treasury officers, but it included the sum of 1,454,434.96 florins, which represented the "additional cents" (opcenten) which had been assessed and received on behalf of the city of Amsterdam in the year aforesaid, and was therefore refunded to the city.

The number of "additional cents" levied and paid at Amsterdam in 1886 were: Forty additional cents (opcenten) upon the taxes of improved property or real estate; 10 additional cents upon the taxes of unimproved property, and 85 additional cents on the "personal taxes" (personeele belasting).

"Additional cents" are furthermore levied and collected on several of the "indirect taxes," such as the "succession tax," "stamp duty," etc., and others, but in these cases, as explained to me, they are levied exclusively on behalf of the National Government, and from their collection are annually realized from 5,000,000 to 10,000,000 florins, the amount principally depending, of course, upon the value of the "estates" in respect of which they become payable, etc.

REVENUE RECEIPTS AND COST OF COLLECTION AT AMSTERDAM.

The principal national revenue officer for the provinces of North Holland and Utrecht stationed at Amsterdam kindly furnished me the data from which I quote:

	Florins.
Total amount of revenue received at and for Amsterdam in 1886	15,330,110.50
On account of—	
Excise duties	8,749,637.85
Direct taxes	4,894,422.07
Customs duties	1,601,761.21
Sundry taxes	84,289.37
Grand total	15,330,110.50

Concerning the cost of collecting the foregoing amount of revenue the same officer observes that under prevailing circumstances it is barely practicable to state accurately what it amounted to, but a close estimate places the sum at about 350,000 florins, as being the expense incurred for all purposes in covering the above-stated amount into the Government treasury in 1886.

EXCISE DUTIES.

Concerning the rates at which the excise duties or internal revenue on the articles subject thereto are chargeable the following: Salt, it is 9 florins per 100 kilograms; meats, 10 per cent. on the value of the cattle to be killed; wine, 20 florins per hectoliter; spirits, 60 florins per hectoliter of 50 per cent. alcohol by 15° Celsius; beer, the "excise" is levied according to the choice of the brewers, either at 1 florin per hectoliter of the contents capacity of the mixing-tubs or tanks (roerkuipen), or at the rate of .03½ florins per kilogram of raw material (grondstof); vinegar, the "excise" differs or depends on whether it is manufactured from beer, exclusively from spirits, or other substances; sugar, the basis whereon the "excise" is levied is a duty of 27 florins per 100 kilograms dry white loaf-sugar; soap, the "excise" is 10 florins per 100 kilograms.

D. ECKSTEIN,
United States Consul.

The following statements, published by the Association for Statistics in the Netherlands, show the receipts from the principal taxes per head of the population each year from 1851 to 1885, inclusive.

(*a*) *Direct taxes and import duties.*

[In florins.]

Years.	Ground or land tax.	Personal tax.	Trade licenses.	Total direct taxes.	Import duties.
1851	3.25	2.01	.88	6.14	1.15
1852	3.21	2.00	.80	6.01	1.20
1853	3.18	2.01	.79	5.98	1.12
1854	3.15	2.00	.79	5.94	1.01
1855	3.13	2.01	.79	5.93	.94
1856	3.10	2.01	.80	5.91	.98
1857	3.08	2.03	.82	5.93	.98
1858	3.07	2.04	.83	5.94	1.01
1859	3.11	2.11	.85	6.07	1.02
1860	3.09	2.09	.86	6.04	1.12
1861	3.07	2.12	.87	6.06	1.18
1862	3.04	2.12	.87	6.03	1.12
1863	3.01	2.14	.89	6.04	1.05
1864	3.00	2.14	.91	6.05	1.10
1865	2.97	2.16	.92	6.05	1.15
1866	2.78	2.18	.92	5.88	1.19
1867	2.77	2.17	.91	5.85	1.13
1868	2.77	2.18	.89	5.84	1.13
1869	2.81	2.23	.91	5.95	1.21
1870	2.80	2.22	.91	5.93	1.16
1871	2.80	2.24	.92	5.96	1.32
1872	2.79	2.25	.94	5.98	1.35
1873	2.77	2.28	.99	5.84	1.41
1874	2.75	2.28	1.00	6.03	1.41
1875	2.73	2.31	.99	6.03	1.42
1876	2.70	2.32	1.00	6.02	1.50
1877	2.68	2.37	1.00	6.05	1.31
1878	2.66	2.37	1.01	6.04	1.15
1879	2.64	2.40	1.00	6.04	1.11
1880	2.65	2.42	1.01	6.08	1.17
1881	2.64	2.45	1.03	6.12	1.20
1882	2.62	2.45	1.04	6.11	1.17
1883	2.61	2.44	1.04	6.09	1.21
1884	2.61	2.59	1.05	6.25	1.17
1885	2.62	2.57	1.01	6.20	1.16

(*b*) *Excise duties or internal revenue.*

[In florins.]

Years.	On sugar.	On wine.	On spirituous liquors.	On salt.	On soap.	On beer and vinegar.	On meat.	Total.
1851	.28	.42	1.50	.69	.40	.16	.77	6.51
1852	.30	.41	1.50	.71	.43	.16	.58	6.33
1853	.42	.41	1.45	.74	.40	.15	.50	6.39
1854	.47	.40	1.45	.75	.40	.14	.49	6.31
1855	.50	.37	1.51	.75	.37	.13	.50	6.37
1856	.59	.35	1.46	.79	.38	.14	.53	5.12
1857	.60	.34	1.64	.79	.39	.16	.55	5.32
1858	.64	.34	1.72	.77	.40	.16	.53	5.45
1859	.59	.38	1.77	.78	.41	.17	.52	5.43
1860	.59	.39	1.69	.78	.37	.15	.42	5.32
1861	.61	.37	1.77	.78	.38	.14	.42	5.47
1862	.57	.38	1.75	.76	.37	.15	.42	5.37
1863	.58	.39	1.85	.78	.37	.16	.43	5.43
1864	.53	.39	2.48	.78	.37	.17	.44	5.69
1865	.59	.40	2.61	.79	.38	.19	.47	5.43
1866	.99	.52	3.45	.81	.37	.18	.52	6.84
1867	1.12	.54	3.69	.79	.37	.17	.48	7.15
1868	1.04	.53	3.68	.76	.38	.18	.50	7.07
1869	1.34	.49	3.91	.82	.38	.19	.57	7.70
1870	1.32	.45	3.99	.83	.38	.19	.57	7.75
1871	1.30	.38	4.10	.81	.38	.20	.57	7.74
1872	1.30	.47	4.40	.77	.39	.23	.60	8.18
1873	1.45	.49	4.60	.80	.39	.23	.65	8.60
1874	1.37	.48	4.75	.80	.39	.23	.64	8.66
1875	1.50	.48	4.91	.79	.41	.23	.67	9.00
1876	1.64	.51	5.19	.79	.41	.23	.71	9.49
1877	1.56	.53	5.38	.80	.40	.23	.70	9.60
1878	1.63	.52	5.53	.79	.41	.23	.67	9.79
1879	1.62	.51	5.41	.76	.41	.22	.66	9.60
1880	1.45	.51	5.55	.82	.43	.23	.71	9.69
1881	1.58	.50	5.52	.83	.41	.23	.73	9.79
1882	1.77	.49	5.30	.86	.41	.23	.72	9.78
1883	1.48	.48	5.32	.87	.42	.23	.71	9.52
1884	1.38	.46	5.46	.89	.44	.24	.69	9.55
1885	1.84	.44	5.49	.86	.43	.23	.66	9.96

(*c*) *Indirect taxes.*

[In florins.]

Years.	Stamp tax.	Registration and recording fees.	Recording fees mortgages.	Succession tax.	Total.	Grand total. *a*, *b*, *c*.
1851	.57	1.41	.12	1.09	3.19	18.39
1852	.54	1.42	.12	1.95	3.03	18.06
1853	.55	1.54	.13	1.03	3.26	18.24
1854	.60	1.59	.14	1.27	3.60	18.47
1855	.55	1.75	.14	1.34	3.79	18.72
1856	.66	1.86	.16	1.12	3.81	17.86
1857	.59	1.77	.15	1.21	3.72	17.49
1858	.59	1.76	.15	1.59	4.08	17.96
1859	.59	1.67	.14	1.22	3.62	17.69
1860	.62	1.76	.15	1.24	3.77	18.08
1861	.62	1.68	.14	1.15	3.59	18.23
1862	.61	1.79	.15	1.03	3.59	18.03
1863	.63	1.86	.16	1.27	3.92	18.29
1864	.68	1.95	.17	1.23	4.02	18.52
1865	.65	1.93	.17	1.21	3.95	18.29
1866	.72	1.77	.15	1.24	3.89	19.48
1867	.70	1.81	.15	1.48	4.14	19.99
1868	.75	1.94	.17	1.04	3.90	19.68
1869	.67	2.00	.18	1.14	3.99	20.70
1870	.51	1.96	.17	1.51	4.15	20.82
1871	.53	2.22	.20	1.45	4.39	21.33
1872	.54	2.48	.24	1.77	5.03	22.44
1873	.55	2.60	.25	1.40	4.80	22.80
1874	.54	2.56	.25	2.21	5.55	23.60
1875	.56	2.70	.26	2.05	5.57	23.94
1876	.55	2.87	.28	2.12	5.82	24.79

(c) *Indirect taxes*—Continued.

[In florins.]

Years.	Stamp tax.	Registration and recording fees.	Recording fees mortgages.	Succession tax.	Total.	Grand total. *a*, *b*, *c*.
1877	.55	2.85	.28	1.57	5.25	24.17
1878	.53	2.67	.26	1.66	5.12	24.07
1879	.51	2.50	.25	2.39	5.65	24.40
1880	.54	2.79	.28	2.62	6.23	25.29
1881	.54	2.91	.29	2.72	6.47	25.69
1882	.49	2.63	.27	2.48	5.87	25.21
1883	.78	2.19	.27	2.28	5.78	24.74
1884	.70	1.93	.28	2.24	5.10	24.41
1885	.68	1.69	.20	2.57	5.14	24.92

Statement of the municipal debt of the city of Amsterdam on the 1st of January, 1886.

Description of debt.	Amount of debt January 1, 1886.	Original amount of the debt.	Amount of yearly redemption required.	Rate of interest.
	Florins.	*Florins.*	*Florins.*	*Per cent.*
Debt owing diverse administrations	55,550	1,158,809	.....	2½
Bonds, 1855:				
First series	149,000	300,000	3,000	4
Second series	193,000	300,000	3,000	4
Third series	296,000	450,000	5,000	4
Fourth series	312,000	400,000	4,000	4
Fifth series	308,000	400,000	4,000	4
Sixth series	191,000	300,000	3,000	4
Seventh series	296,000	400,000	4,000	4
Eighth series	316,000	450,000	5,000	4
Bonds North Sea Canal	1,948,600	3,000,000	41,500	3
Redeemable debt:				
1861	15,430,300	18,000,000	102,000	2½
1874	20,558,000	21,000,000	108,000	3
1879	7,476,000	7,500,000	4,000	4
1884	2,500,000	6,500,000	.....	4
	50,029,450	60,158,809	286,500	

APPENDIX.

[Extract from Consul Eckstein's report of January 22, 1887—Consular Report No. 80, pp. 563, 564, 565.

CONVERSION OF THE DUTCH DEBT.

The conversion of the 4 per cent. national debt of the Netherlands, which took place in the course of the year 1886, had for a long time previous to the occurrence been held in view or contemplated by the Government, which was only waiting for a favorable opportunity for the accomplishment of that object.

Consequently, when the rate of interest became everywhere very low, and when it appeared that a money plethora would set in for a long period of time, the matter of "conversion" was earnestly taken in hand and discussed by the finance department. One of the two groups or combinations of bankers which then appeared upon the scene and offered, upon certain terms, to undertake the transaction, consisted of the prominent banking house of Lippmann, Rosenthal & Co., which proposed to associate itself with the Rothschild frères, in Paris, N. M. Rothschild & Sons, in London, and M. A. von Rothschild & Sons, in Frankfort-on-the-Main, and to take upon themselves the entire conversion of about 340,000,000 florins of the 4 per cent. national debt at the rate of 97 per cent. against the to be emitted 3½ per cent. Government bonds.

This proposition was approved by the Rothschild houses, and in accordance therewith a preliminary agreement was entered into in the month of February, 1886, between the minister of finance and the agent of the Rothschilds in this city, and George Rosenthal, esq., for and on behalf of his firm of Lippmann, Rosenthal & Co.,

subject to the approval of both Chambers of the States-General, and the subsequent sanction of the King.

This arrangement caused a certain amount of ill-feeling and opposition to its consummation from certain quarters, and chiefly on the ground of its being made with the Rothschild houses, who are foreigners.

However, the agreement seems to have been looked upon as advantageous to the country and satisfactory to the members of both Chambers, as a bill based thereupon was passed, with very slight modifications, on the 9th of May, 1886, with very large majorities in both Chambers, and being speedily thereafter approved by the King, became law.

The contract, thereafter in force, was soon afterwards carried into effect by the Messrs. Rothschild. The owners and holders of 4 per cent bonds received notice that within fourteen days they had to declare themselves whether they desired payment at par. Those who allowed that term to pass without requiring such cash payment received a premium of 2 per cent. in cash, and the 3½ per cent. new emission at the rate of 98 per cent. Only about 1,000,000 florins of the 4 per cent. debt was asked and required to be paid back. The entire balance, or about 339,000,000, of the 4 per cent. debt was converted into the new 3½ per cents.

The contractors took care that the 4 per cent. old bonds, which then came into the market in large amounts, were bought up by them at a premium over par, whilst the course of the new 3½ per cent. debt kept itself somewhat above the price of emission, 98 per cent., went up to as much as 101 per cent., and stood, at or near the close of the year, at par, or 2 per cent. above the course of emission.

The deliveries for conversion took place so quickly that at the end of November only a very small proportion of the old 4 per cent. issue remained outstanding for exchange.

The new rate of interest, 3½ per cent., went into force on the 1st of July, 1886.

The Government issued paid-up scrips, which are soon to be exchanged for the new obligations.

The denominations of the new bonds are 12,000, 6,000, 1,200, 1,000, 500, and 100 florins, with interest coupons attached, payable half-yearly, 1st of April and 1st of October. The interest is payable not only in Holland, but provision is made for its payment at Paris, London, Berlin, and Frankfort-on-the-Main.

The Government has assumed the obligation not to convert the new 3½ per cent. debt during the next ten years.

It is generally considered here that the conversion of the Dutch 4 per cent. national debt is one of the most successful and promptly-perfected financial operations which have taken place in Europe latterly.

THE NATIONAL DEBT.

The national debt of the Netherlands consists of:

	Florins.
(1) Inscriptions in the Public Ledger (*Grootboek*) of the 2½ per cent. national debt to a nominal capital of	630,593,300
(2) Inscriptions in the Public Ledger of the 3 per cent. national debt to a nominal capital of	94,642,850
(3) Inscriptions in the Public Ledger of the 3½ per cent. national debt and 3½ per cent. obligations, issued in accordance with the law of May 9, 1886, Staatsblad No. 102, together representing a nominal capital of	348,085,000
(4) Three and one-half per cent. obligations of the late Amortization Syndicate, to a nominal capital of	9,243,000
Total	1,082,564,150

On the entire national debt the annual interest amounts at present to 31,104,723 florins.

REVENUE AND EXPENDITURES.

The estimated national revenue amounted for 1885 to 115,764,176 florins, and for 1886, to 120,149,065 florins; and the estimated amount of national expenditures was 135,614,355.875 florins in 1885, and 132,543,648.935 florins in 1886. This shows that in both years the expenditures exceeded the revenues; the deficit amounting to 19,850,-179.875 florins in 1885, and to 12,394,583.935 florins in 1886.

According to a statement before me, and which I suppose to be correct, the appropriations for the national service of the current year (1887) are as follows:

	Florins.
Royal household	660,000.00
State establishments and royal cabinet	616,007.00
Department of foreign affairs	681,151.00
Department of justice	5,059,759.00

	Florins.
Department of interior	10,183,018.00
Department of navy	6,454,182.60
National debt	33,871,314.28
Department of the treasury	23,323,244.83½
Department of war	20,354,016.00
Department of water-works, trade, and industry	23,666,896.21
Department of colonies	1,310,508.43
Unforeseen expenditures	50,000.00
Total	126,220,097.35½

The estimated revenues for same period of time amount to 115,973,075 florins, and it is thereby shown that the expenditures exceed the estimated revenues in the sum of 10,247,022.35½ florins. Besides that, under some existing law, provision remains still to be made for the maintenance of the navy from July 1 to December 31, 1887.

BANK OF THE NETHERLANDS.

The following are summarized statements showing the status of this financial institution on given days during the year 1886, and the rates of exchange on same days and year at Amsterdam:

Date.	Portefeuille and Lombard, or advances on diverse securities.	Gold.	Silver.	Rates of exchange.		
				London (per pound sterling).	Paris (per 100 francs).	Germany (per 100 rix marks).
	Florins.	*Florins.*	*Florins.*	*Florins.*	*Florins.*	*Florins.*
January 2	97,000,000	48,000,000	96,000,000	12.05	47.75	59.10
April 30	70,000,000	72,000,000	98,000,000	12.06	47.80	58.95
June 30	67,000,000	77,000,000	98,000,000	12.05	47.75	59.05
July 31	63,500,000	80,000,000	98,000,000	12.06	47.85	59.15
August 28	59,000,000	80,000,000	97,000,000	12.09	47.87½	59.10
November 6	77,000,000	79,000,000	97,000,000	12.12	47.80	59.10
December 24	86,000,000	67,000,000	97,000,000	12.09	47.72½	59.25

RUSSIA.

TAXATION IN THE KINGDOM OF POLAND.

REPORT OF CONSUL RAWICZ.

DIRECT TAXES.—NATIONAL.

The principal and additional land tax.

By the Imperial ukase of the 8—20 day of December, 1866, the principles of the new order of taxes upon the manor estates were sanctioned. The taxes, such as offerings, delivery of military provisions, beneficent subsidy, tonnage, and miller canan, collected from the manor estates to the amount of 2,607,300 rubles, were converted into one general tax called "the manor land-tax," which was divided into two parts; the one part, representing two-thirds of the total amount, was named "the principal land tax," and the other, equal to one-third of the total amount, was called "the additional land tax."

For the principal land tax there was established a direct taxation, "the tariff," in each district according to the new administrative partition of the Kingdom of Poland, made in the year 1867.

As to the additional land tax, there was made the distribution of its total amount among the districts with the injunction that the interior assessment of this tax ought to be performed by the local authorities, conjointly with the persons selected from among the very tax-payers.

For the assessment of the manor land tax, the declarations of the landed proprietors, containing the specifications of the areas of their lands, together with their subdivisions into categories, were adopted. Subsequently the necessary informations of the sale prices of the lands situated in various parts of the Kingdom of Poland were collected through the mediation of the Landed Credit Association.

Based on these data, the assessment of the total amount of this tax among the districts of all the ten governments of the Kingdom of Poland was effected. From the computed total amount for each district two-thirds were deducted for the principal and one-third for the additional land tax.

After this there were defined, in each district separately, the amounts of the principal land tax for each of the five kinds of land named "the categories," into which the lands were divided.

To the first category belonged the lands under buildings, orchards, gardens, and the better arable lands used for wheat; to the second category belonged arable lands of a good or medium rye soil; to the third category belonged twice-mown meadows; to the fourth category belonged once-mown meadows; and to the fifth category belonged forests, thickets, shrubs, pasturages, and arable lands of an inferior soil, sown once during three or six years.

In order to define the revenue proportion among the said five land categories, there were used the regulations issued in the second decade of the present century for the emancipation of the peasant settlements in the Government estates. As a taxation unit the lands of the fifth category, viz, forests, thickets, pasturages, etc., were taken; the lands of the first category represented 8, those of the second category $3\frac{1}{2}$, those of the third category 11, and those of the fourth category $4\frac{1}{2}$ units. To define the direct taxes for each separate district, independently of the other districts, the following mode of computation was used: Before all, the total quantity of lands in a district containing various kinds of land was converted into pasturage land according to the above stated revenue proportions of the various land categories; thus there was obtained the number of the pasturage units. Afterwards there was taken the total sum of the principal tax, defined for a district, conformably to the value of land and divided by the number of pasturage units; in the result there was obtained the amount of tax for a pasturage unit. To define the amount of tax for the lands of the first category, the pasturage unit was multiplied by 8, for the lands of the second category by $3\frac{1}{2}$, for those of the third category by 11, and for those of the fourth category by $4\frac{1}{2}$.

The total sum of the additional land tax was computed in each district according to the principal land tax. The landed proprietors owning less than two vlocka (60 morgs) of land were exempted from the payment of the additional land tax. Out of 15,054 landed properties there were 4,395 representing 582,513 morgs of land exempted from the additional land tax, and in consequence of which there were collected from the larger landed properties 53 per cent. of the additional land tax instead of 50 per cent.

At the time of the introduction of the manor land tax the total area of the manorial lands was estimated at 10,677,087 morgs, and the total amount of the land tax at 2,607,434 rubles 40 copecks, so that one morg was charged with 24.8 copecks. At present there are 10,715,727 morgs taxed with 2,646,756 rubles 35 copecks, or one morg with 24.7 copecks. It was said above that the assessment of the additional land tax within the limits of the districts ought to be made by the local authorities conjointly with the persons selected from among the very tax-payers. In connection with this injunction, the minister of the finances issued, and in the year 1873 presented to the late committee on the affairs of the kingdom of Poland, special regulations as to the order of selecting the said tax-payers and the proper proceedings of the local authorities. These regulations contain the following instructions:

(1) The total sum of the additional manor land tax computed for all the governments of the kingdom of Poland has to be divided among these governments by the ministry of the finances in such a manner that the total sum of the additional land tax in each government represented 50 per cent. of the total sum of the principal land tax.

(2) The quantity of the additional land tax due from each government has to be divided among the districts at a joint session, by the Government Commissioner on the peasant affairs and the Government authorities. To the said session can be invited for consultations the experts, such as landed proprietors, manufacturers, etc.

(3) The total sum of the additional land tax defined for one district is to be assessed within the district, among separate landed properties, by a special commission, consisting of the commissioner on the peasant affairs, the district chief's assistant on the agricultural affairs, and three landed proprietors. This commission should be presided over by the chief of the district.

(4) The selection of the landed proprietors for the participation in the assessment of the additional land tax is to be made by the governor, after a preliminary receipt of the proper reports from the chiefs of the districts, and the commissioners on the peasant affairs.

(5) During the assessment of the additional land tax among the districts and in the districts among their landed properties, as a basis are to be taken: The value and revenue of the lands of the landed properties, their special merits, favorable situations, valuable agricultural enterprises, such as sheep-rearing, etc., and, in general, all these data on which depends the productiveness of the landed properties.

(6) The copies of the tax assessment performed by the commission and of the tax amounts due from each landed property, accompanied by an explanation of the adopted cases, are to be communicated by the district authorities through the community bailiffs to each of the taxed landed properties. The landed proprietors who may be dissatisfied with an assessment are permitted to present their complaints to the commission, which is obliged to examine and decide them.

(7) At the expiration of the appointed time for making the complaints, a copy of the assessment made by the commission, together with a detailed explanation of the adopted cases and computations, accompanied by a statement of the complaints made against the assessment, and an information how the complaints were settled, are to be transmitted to the governor for his sanction.

(8) The governor presents the copy of the assessment, together with its annexes, to the joint session of the government commissioner on the peasant affairs; and the government authorities, who either approve the

assessment or, if they consider it necessary, make therein suitable final alterations; and in case of a diminution of taxes of some of the landed properties in a given district, the deducted amount of taxes is to be proportionally divided among the other remaining landed properties of the same district.

(9) The assessment of the additional land tax among governments, districts, and separate landed properties is made every five years. Should, however, a chief of a district receive petitions from at least one-fourth part of the tax-payers of one district to make a new assessment during the course of these five years, he ought, according to a prescribed form, to report thereon, and the minister of finances is authorized to resolve on such an assessment, provided that the total sum of the additional land tax is by no means diminished.

(10) Should the revenues of a landed property in consequence of some extraordinary circumstances considerably decrease during the course of these five years, in this case, the amount corresponding to this decrease of the additional land tax can be relieved even before the expiration of the said period.

The hearth tax upon the peasant settlements and the land tax upon the peasant lands.

The 15th day of December, 1868, the law of the hearth tax upon the peasant settlements and of the land tax upon the peasant lands in the ten Vistula governments was sanctioned.

In virtue of the said law the hearth tax was based on the same principles which were established by the law of June 3–15, 1858, however, with the following alterations: This tax was named the hearth tax without the addition of the words: "together with the road tax."

Subsequently all the peasant settlements, without discrimination of the government landed properties from all others, were charged with the hearth tax at the rate defined for the government landed properties. For those of the first category, having an area of 15 morgs or more of arable lands, 4 rubles; for those of the second category, having an area of from 3 to 15 morgs of arable lands, 2 rubles; and for those of the third category, having less than 3 morgs of like lands, 1 ruble. Besides this, the peasant settlements owning more than 90 morgs of land, formerly liable to the payment of the manor hearth tax, are charged with the peasant hearth tax according to the rate of the first category. The computation and the collection of the hearth tax were ordered to be made on the basis of the descriptions of the peasant settlements effected in the years 1865 and 1866. Afterwards as a unit for the hearth tax a village was taken; and the assessed thereon amount of the hearth tax by a local financial authority ought to remain immutable during the term of five years. The amount of the hearth tax computed for each village is to be assessed among tax-payers within the village, conformably to the opinion of a peasant meeting which can change it every year.

During this assessment the peasant settlements of the third category having less than 3 morgs of arable land can not be charged with the hearth tax beyond the rate fixed for this category; the settlements of the other remaining categories can not be charged with the hearth tax at the rate exceeding more than twice the amount of the hearth tax due from a settlement according to the defined rate of taxation.

The following table, based on the data obtained for 1887, shows the

number of the peasant settlements situated in the ten Polish governments, and the amount of the hearth tax due from them:

Governments.	Total No. peasant settlements.	Total amount hearth tax.	Average amount hearth tax per one settlement.	Average amount arable land for each settlement.
		Rubles.	*Rubles.*	*Morgs.*
Warsaw	68,507	173,601	2.53	12.81
Kalish	70,138	154,486	2.20	9.63
Kielce	70,590	151,324	2.14	9.00
Lomza	37,213	90,273	2.43	14.45
Lublin	70,627	201,494	2.85	15.30
Piotrkow	69,151	174,835	2.50	12.14
Plock	49,235	100,970	2.14	11.03
Radom	63,593	60,497	2.52	12.22
Suvalki	49,685	139,192	2.80	22.46
Siedlec	47,126	139,802	2.96	18.31
Total	593,815	1,486,474	2.50	13.34

During the assessment of the peasant land tax, the military provisions tax, to the total amount of 479,671 rubles 91½ copecks, was added to the former in order to render the tax system more simple and uniform. The total amount of 2,022,970 rubles and 46¾ copecks thus formed was assessed among villages according to the established tariff of collecting the manor land tax. Subsequently this total amount of the peasant land tax, together with the military provisions tax (2,022,970 rubles and 46¾ copecks) was reduced by 109,265 rubles and 33 copecks. This reduction was made for this reason in order to approach the peasant land tax, representing, if we take the full amount, 29½ copecks per morg, to the manor land tax, which represented only 24.8 copecks per one morg.

The peasant land tax was divided, like the manor land tax, into the principal and additional land tax; the latter being one-half of the former. To facilitate the distribution of the land tax, there were in the years 1865 and 1866 simultaneously made the descriptions of the manor landed properties, and like detailed descriptions of the peasant lands, with the specifications therein of the quantity of lands according to their categories and conformably to the division adopted in the tariff for the manor lands. According to the said tariff, the principal land tax is computed by the local financial authorities for each separate village, and conformably to the number of its lands. The additional land tax is assessed by the same authorities among the communities, in proportion to the principal land tax paid by each community; the computed amount of the additional land tax for each community is assessed by the community assembly among the villages belonging to a community. Subsequently the amounts of the principal and additional land tax, computed for villages, are divided among the tax-payers within the villages by the village assemblies.

During the interior assessment of the peasant land tax the following principles are observed: (1) The amount of the additional land tax, defined for a village by the community assembly, can not exceed three-fourths of the amount of the principal land tax computed for a village. (2) The total amount of the principal and additional land tax, computed by the village assembly for one tax-payer can not exceed twice the amount of the principal land tax, due from a tax-payer according to

the tax tariff. (3) The peasants possessing an area of land of less than 3 morgs can not be charged with the land tax beyond the rate defined by the tax tariff, and with the additional land tax beyond three-fourths of the amount of the principal land tax. The local assessment of the principal and additional land tax intrusted to the village assemblies may be altered according to the opinion of the village assemblies.

Comparing the average figures of the peasant land tax per morg (27.9 copecks) with the average figures of the manor land tax (24.7 copecks), it appears that the peasant lands in Poland are generally taxed higher by 12½ per cent. than the manorial lands. The reason of the raising of the peasant land tax lies therein that among the peasant lands the category of arable land prevails, which of course is charged with a higher tax, while the manorial lands contain large areas of such lands as forests, pasturages, and thickets, charged with a lower tax. Below I give the statement, based on the data obtained for 1887, showing the area of the peasant lands and the amount of the direct taxes due from them:

Governments.	Morgs.	Total amount of principal and additional land tax.	Average taxation of one morg of arable land.		
			With land tax.	With hearth tax.	With land and hearth tax.
		Rubles.			
Warsaw	877,367	321,131.30	36.6	19.8	56.4
Kalish	675,334	221,461.55	32.8	22.9	55.7
Kielce	635,155	179,220.96	28.2	23.8	52.0
Lomza	557,651	125,289.15	23.3	16.8	40.1
Lublin	1,080,592	250,203.06	23.2	18.7	41.9
Piotrkow	839,483	230,725.95	27.5	20.8	48.3
Plock	521,016	151,039.86	29.0	19.4	48.4
Radom	777,600	191,183.99	24.7	20.6	45.3
Suwalki	1,114,834	315,414.58	28.3	12.5	40.8
Siedlec	862,981	188,395.01	21.8	16.2	38.0
Total	7,922,013	2,174,065.41	27.5	18.8	46.3

The hearth and land tax collected from former towns.

The principles on which the hearth and land tax are collected from the little or former towns are the same as for the peasant settlements, with only this difference, that the houses belonging to the former owners of these little towns, and serving the owners for their temporary or permanent residence, are charged with the higher hearth tax, viz, 4 rubles, irrespectively to the quantity of land belonging to such houses (in villages are charged with the hearth tax, the peasant settlements, and in former towns, houses, commercial and industrial establishments). The same amount of the hearth tax is collected from habitable houses, as well as from industrial establishments built of stones or bricks.

The following statement, based on the data obtained for 1887, shows the average taxation of one morg of arable land in the little or former towns of Poland:

Governments.	No. little or former towns.	Average taxation of one morg of arable land.		
		With land tax.	With hearth tax.	With land-tax and hearth tax.
Warsaw	36	28.1	20.5	48.6
Kalish	39	34.7	28.7	63.4
Kielce	34	24.7	25.0	49.7
Lomza	17	20.1	22.9	43.0
Lublin	47	21.0	25.3	46.3
Piotrkow	39	22.9	22.4	45.3
Plock	18	24.1	19.8	43.9
Radom	51	21.4	20.6	42.0
Suwalki	15	20.3	15.6	35.9
Siedlce	29	17.4	14.1	31.5
Average	.....	22.4	20.9	43.3

The total amount of the land tax and hearth tax collected from the foregoing three hundred and twenty-five little or former towns represents 113,397 rubles 83 copecks.

The manor hearth tax.

By virtue of the Imperial ukase of the 3d day of February, 1883, issued in exchange for the regulations of the 3–15 day of July, 1858, the manor hearth tax is collected on the following basis:

(1) This tax is collected from each separate building inhabited or used for any commercial or industrial purpose, and situated without the limits of the lands belonging to large or little towns, as well as those given to peasants in virtue of the emancipation ukase of the 19th day of February, 1864.

(2) The manor hearth tax is also called the principal and additional one.

(3) The principal manor hearth tax is collected from the buildings defined under the No. 1, conformably to the area of farms, settlements, forests, and other units of the agricultural husbandry in which a building is erected and which, for the payment of the principal hearth tax, are divided, according to the quantity of every denomination and quality of arable and unarable lands, into the following five categories: First category, having an area of more than 600 morgs; second category, having from 600 to 300 morgs; third category, having from 300 to 90 morgs; fourth category, having from 90 to 15 morgs, and fifth category, having 15 or less morgs. For each of the first four categories are established two kinds of the hearth tax, the higher and the lower hearth tax, and for the fifth or last category there is established one general hearth tax. With the higher hearth tax, in each of the landed properties belonging to the first four categories, are charged one principal habitable house, and all factories, industrial and commercial establishments. With the lower hearth tax are charged all other buildings liable to the payment of the manor hearth tax.

(4) The additional hearth tax is computed according to the value of each building and in an equal percentage ratio to the amount at which the building was estimated by virtue of the ukase of the mutual Gov-

ernment insurance; if such a building was estimated at more than 10,000 rubles the additional hearth tax is computed only from 10,000 rubles.

The following statement shows the actual number of the principal habitable houses, industrial and commercial establishments, and other agricultural buildings, as well as the quantity of morgs in each of the five categories of the agricultural units (see No. 1):

Categories.	Principal habitable houses, industrial and commercial establishments.	Other agricultural buildings.	Morgs.
	No.	*No.*	*No.*
I	11,505	29,813	7,643,788
II	5,273	9,253	1,561,018
III	4,213	4,026	609,659
IV	22,941	2,548	704,365
V	36,062		150,002

The foregoing five categories are charged with the manor hearth-tax as follows:

Categories.	With higher hearth-tax.	With lower hearth-tax.
	Rubles.	*Rubles.*
I	13.00	6.50
II	9.50	4.75
III	8.00	4.00
IV	4.00	2.00
V*	.....	2.00

* With general hearth-tax.

At present the kingdom of Poland pays 822,523 rubles 46 copecks of the manor hearth-tax. The general census of the manor landed properties is made every five years.

INDIRECT TAXES—NATIONAL.

In the kingdom of Poland the following indirect taxes are now in force, viz:

Excise tax.

(*a*) On spirituous liquors, such as brandy, wine, mead, and beer, is collected at the average rate of 16 copecks per 1 degree Fahrenheit.

(*b*) On tobacco products, such as cigars, cigarettes, snuff, and smoking tobacco, is collected at the rate of 24 copecks to 48 rubles 50 copecks per one pood, according to the quality of tobacco.

(*c*) On sugar, at the rate of 85 copecks per pood.

Stamp tax.

On judicial acts, petitions, bills of exchange, and all other documents of public character, is collected at the rate of 80 copecks per one sheet, and besides this, from $\frac{1}{2}$ to $\frac{1}{4}$ per cent.

On judicial registering of the civil lawsuits the stamp-tax amounts to 1 per cent. from a sum in litigation.

Inheritance tax.

This tax, according to the degree of relationship of the parties taking or giving an inheritance, amounts to from 3 to 15 per cent. from the inheritance value.

Custom-house duty.

This duty is collected on the imported goods, in virtue of a separate and greatly complicated tariff, at the rate of from 25 to 33 per cent. from the value of a given object or merchandise.

Railway ticket tax.

This tax amounts for the passengers of the first and second class to 25 per cent. and for those of the third class to 15 per cent. from the ticket value. A like tax of 25 per cent. is also collected on the rapid transportation of goods.

Coupon tax.

This is collected on the public interest-bearing stocks at the rate of 5 per cent. from the coupon value.

Industrial and commercial tax.

This tax, according to the locality or extension of the commercial or industrial undertakings, amounts to from 2 rubles 50 copecks to 1,125 rubles 50 copecks per annum.

TAXES FOR MAINTENANCE AND ARRANGEMENTS OF LOCAL PUBLIC INSTITUTIONS SITUATED IN TOWNS AND VILLAGES.

Fire insurance.

The fire-insurance tax, being obligatory to all house owners, if the value of a building does not exceed 5,000 rubles, is collected by the governments, on the reciprocity basis, at the rate of from 0.25 to 10 per cent. from the house value, and conformably to the local conditions and wants of insurance societies.

Cattle-disease insurance.

This tax is likewise obligatory to all cattle owners, and, being based on the reciprocity principle, amounts to from 10 to 15 copecks per head.

Road tax

Is collected for keeping roads and bridges in repair by the government authorities, at the rate of 15 per cent. from the land tax in villages and from the hearth tax in towns.

Military quarters tax.

This tax is collected for hiring lodgings to military officers, at the rate of $6\frac{1}{6}$ per cent. from the manor land tax, and at the rate of $38\frac{1}{2}$ copecks from the peasant settlements.

COMMUNITY CONTRIBUTIONS.

Besides the above-enumerated taxes the county population of the kingdom of Poland contributes also to the maintenance of the community institutions, such as courts, schools, and hospitals. These contributions fluctuate between 6¾ and 26⅞ copecks per one morg, according to the wants of a given community.

As it is next to impossible to obtain the data enabling me to report on the pressure effected by the direct or indirect taxes, either in certain branches of industry or upon certain classes of the population of Poland, I therefore give only the following comparative table, showing the amount of taxes paid by the principal European countries, viz:

	Rubles per head.
Russia	5.85
Poland	7.22
Italy	11.56
Belgium	11.77
Austria-Hungary	11.87
Germany	13.00
England	15.00
France	18.00

It is said that the expenses of collection of the taxes in Poland represent about ¼ per cent. of the total amount of taxes.

Municipal taxes.

The following kinds of taxes are collected by the municipal authorities in profit of the city of Warsaw:

Taxes on immovable properties.—(1) The appraisement tax is collected at the following rate: On private immovable properties, yielding a revenue, whether liable or not to the government hearth tax, giving a gross revenue of less than 500 rubles, 2 per cent. from their gross revenue; on those with a gross revenue of from 500 rubles to 1,000 rubles, 3 per cent.; on those with a gross revenue of from 1,000 to 2,000 rubles, 4 per cent.; and on those with a gross revenue of 2,000 rubles or more, 5 per cent. On empty private places yielding no revenue, ¼ per cent. from their appraised value. On government buildings and on those belonging to various government institutions, 5 per cent. from their gross revenue, which is considered as representing 6 per cent. from the insured amount of a building, and an addition to this amount of 50 per cent. for uninsured walls and grounds under such building.

(2) The additional tax of 33⅓ per cent. of the hearth tax is collected at the rate of 1.25 per cent. from gross revenue.

Industry tax.—(1) The per cent. tax on the commercial patents and license certificates, authorizing to carry on a trade or industry, is collected at the following rate: On the license certificates of the first guild, from their former price, 265 rubles, 50 per cent., or 132 rubles 50 copecks; on the license certificates of the second guild, from their former price, 55 rubles, 25 per cent., or 13 rubles 75 copecks.

On the license certificates issued for the members of the mercantile families, namely, on those of the first guild, from their former price of 10 rubles, 50 per cent., or 5 roubles; on those of the second guild, from their former price, 5 rubles, 25 per cent., or 1 ruble 25 copecks; on the commercial clerk first-class license certificates, from the former price of 20 rubles, 25 per cent., or 5 rubles.

On the commercial billets for clerks of the first guild, from the former price of 25 rubles, 50 per cent., or 12 rubles 50 copecks; and on those of

the second guild, from their former price of 17 rubles, 25 per cent., or 4 rubles 25 copecks.

On the stamped paper for the commercial passports of the first guild, from the former price of 1 ruble 50 copecks, 50 per cent., or 75 copecks; and on that of the second guild, from its former price of 1 ruble, 25 per cent., or 25 copecks.

On the license certificates for the retail trade, from their price of 25 rubles, 10 per cent., or 2 rubles 50 copecks.

On the industrial license certificates of the first class, from their price of 25 rubles, 10 per cent., or 2 rubles 50 copecks; on those of the second class, from their price of 18 rubles, 10 per cent., or 1 ruble 80 copecks; and on those of the third class, from their price of 9 rubles, 10 per cent., or 90 copecks.

On the industrial clerk second-class license certificates, from their price of 6 rubles, 10 per cent., or 60 copecks.

On the industrial license certificates for the retail trade, from their price of 8 rubles, 10 per cent., or 80 copecks.

On the license certificates for tobacco manufactories, 75 rubles.

On the license certificates for common smoking tobacco, Mahorka manufactories, 5 rubles.

On the license certificates for wholesale store-houses of foreign and domestic leaf tobacco, except Mahorka, 62 rubles 50 copecks.

On the license certificates for the sale, exclusively, of Mahorka leaf tobacco, 25 rubles.

On the license certificates for the sale of tobacco products of the foreign and domestic manufacture, 12 rubles 50 copecks.

On the license certificates for the sale of tobacco products of exclusively home manufacture, 3 rubles 75 copecks.

On the license certificates for the sale by peddlers of tobacco products of the home manufacture, 1 ruble 25 copecks.

(2) On the license certificates, issued by the assembly of the justices of the peace, authorizing to act as a sworn attorney in legal affairs, 40 rubles.

(3) The municipal tax on hackney-coaches, omnibuses, and sledges is collected at the following rate, viz:

On hackney-coaches and omnibuses, 10 rubles 80 copecks, and on sledges, 1 ruble 80 copecks.

(4) The municipal tax of 50 per cent. from the price of the excise liquor patents is collected as follows:

On the patents for wholesale store-houses of spirits, 300 rubles.

On the patents for distilleries of rum and brandy, 600 rubles.

On the patents for wine store-houses, 100 rubles.

On the patents for taverns, 137 rubles 50 copecks.

On the patents for the sale of spirituous liquors in restaurants, 82 rubles 50 copecks.

On the patents for beer-houses, 15 rubles.

On the patents for the sale of the domestic wines, 12 rubles 50 copecks.

On the patents for buffets in railway and navigation stations and in clubs, 42 rubles 50 copecks.

On the patents for buffets on places of public amusement and in theaters, 17 rubles 50 copecks.

On the patents for mead-houses, 5 rubles.

On the patents for buffets in bathing-houses, 10 rubles.

On the patents for sutlers, 20 rubles.

On the patents for the manufacturing of perfumery, 5 rubles.

Miscellaneous taxes.—(1) On dogs, 1 ruble per head.

(2) On horses kept by private persons, 6 rubles per head.

(3) On the sojourn certificates, authorizing the inhabitants of other towns to freely reside at Warsaw, 15 copecks per every three months.

(4) On half-yearly foreign passports, 5 rubles; on half-yearly passports for going to the Russian capitals, 1 ruble; on half-yearly passports for going to all other towns of the Empire except the capitals, 60 copecks; on half-yearly passports for going to the towns of the Kingdom of Poland, 30 copecks.

(5) On the attestation of various acts and documents by the local police authorities, 10 copecks for each attestation.

Indirect taxes.—(1) On amusements and spectacles arranged by private undertakers and in their own behalf, 3 per cent. from the gross revenue.

(2) On protested bills of exchange, debt bonds, and notarial acts, 50 per cent. from the price of the stamped paper, conformably to the regulations of 1863.

(3) On every thousand of cubic feet of gas used by private persons, 3 copecks per thousand.

(4) On the civil lawsuits, decided by the justices of the peace, one copeck per ruble from the litigious amount, and besides this 10 copecks per each sheet of documents.

(5) Turnpike tax. This tax is collected as follows:

On each horse, mule, ass, bull, ox, and cow, 8 copecks per head.

On hog and swine, 4 copecks per head.

On each foal, calf, ram, sheep, and goat, 2 copecks per head.

The same tax is collected from the railway companies at the following rate:

On each passenger, 1½ copecks.

On 100 pounds of passenger baggage, 1 copeck.

On each car-load containing 500 poods of goods, 80 copecks.

On carriage and coach with trunks, 30 copecks.

On carriage without trunks and on carts with merchandise, 20 copecks.

On carts without merchandise, 10 copecks.

On horse, mule, ass, bull, and ox, 10 copecks per head.

On cow and young cattle, 7½ copecks per head.

On foal, swine, calf, sheep, and goat, 2 copecks per head.

On poultry and farrows, 1 copeck per 100 pounds.

JOSEPH RAWICZ,
Consul.

UNITED STATES CONSULATE,
Warsaw, November 8, 1887.

RUSSIAN FINANCE.

REPORT BY MR. DERING.

[Reprinted from the English Consular Reports.]

REVENUE AND EXPENDITURE IN 1885–'87.

The report of the comptroller-general of the Empire concerning the actual revenue and expenditure for the year 1885, and the estimates of the minister of finance for the year 1887, have recently been published.

As has hitherto often been the case, the actual receipts in 1885 show a considerable diminution and the expenditure a considerable excess on the estimates for that year, which were forwarded from Her Majesty's embassy on the 28th of January, 1885.

According to the budget for 1885 the ordinary receipts, together with the "Recettes d'Ordre,"* were estimated at 780,032,821 rubles.

The actual amount received during that financial period was as follows:

	Rubles.
Arrears paid up in 1884	499,937.33
Amount received in 1885	743,286,240.54
Amount received during the period of grace allowed before the final closing of the accounts in 1886	18,496,664.88
Total	762,282,842.75

Being less than the estimated revenue by 17,749,978.25 rubles.

The receipts showed a diminution on the estimates under 22 heads to the amount of 47,391,429.54 rubles, and an increase under 17 heads to the amount of 29,641,451.29 rubles, inclusive of a sum of 3,755,813.11 rubles, not foreseen in the budget.

The principal items showing a decrease as compared with the estimates were:

	Amount.		Amount.
	Rubles.		*Rubles.*
Drinks	15,009,322	State mines	495,256
Customs	11,607,226	Stamps	315,270
Land and capitation taxes	8,863,286	Sale of stores, etc	307,430
Peasant land redemption dues	3,129,049	Trading licenses	257,854
Receipts from railways	1,352,036	Sale of state lands	161,373
Forests	1,280,998	Mint	132,939
Tobacco	519,085	Educational receipts	129,705
Royalties on mines	515,125		

An increase occurred under the following heads:

	Amount.		Amount.
	Rubles.		*Rubles.*
Receipts applicable to railway obligations	12,124,260	"Recettes d'Ordre"	437,249
Miscellaneous*	3,735,680	Telegraphs	426,309
Repayment of advances	2,738,106	Miscellaneous duties	523,318
Municipal and provincial contributions to treasury	1,777,001	Fishery and shooting licenses	218,833
Sugar (not inclusive of drawback on exports)	1,604,091	Post-office	210,885
Profits from credit operations	1,259,915	Tax on increased salaries of public officials	133,374
Tax on passenger and merchandise traffic per express trains	454,913	Tax on fire insurances	111,145

* This increase is due to the inclusion under this head of 5,312,645 rubles for peasant land redemption dues.

In order to make quite clear the item of "peasant land redemption dues," which occurs for the first time both on the credit and debit side of the account of revenue and expenditure in 1885, it may be useful to mention here that the expenditure incurred by the state under this head is made up by the interest and sinking fund on the large sum borrowed and handed over to the landed proprietors in 1861 (being four-fifths of the estimated value of their lands ceded to the serfs),

* The "Recettes d'Ordre" are derived from the sale of volumes of law and other state-published documents, and from the produce of state mines, etc., handed over to the ministries of war and marine, and are almost always exactly balanced by the "Dépenses d'Ordre."

and of loans advanced to the peasantry for the cultivation of these lands, together with the local expenses connected with the supervision of the expenditure of such loans. The revenue is derived from yearly payments made by the emancipated peasants to the state in return for the land ceded to them, together with interest and sinking fund on any sums advanced to them for the cultivation of such lands.

These expenses and receipts have hitherto formed the subject of a special return, and have now for the first time been included as regular items of the state budget.

Table showing the difference between actual receipts under all heads from 1879 to 1885, inclusive.

Items.		Actual receipts.						
		1879.	1880.	1881.	1882.	1883.	1884.	1885.
		Rubles.	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*
Taxation (direct and indirect).	Capitation and land tax	119, 552, 747	112, 596, 909	117, 828, 240	115, 966, 929	110, 754, 396	105, 260, 251	101, 316, 034
	Licenses	16, 401, 641	15, 293, 706	23, 251, 037	20, 395, 940	20, 810, 120	20, 999, 425	25, 668, 146
	Securities bearing interest	.....	.....	.....	.....	.....	.....	3, 755, 813
	Drinks	229, 498, 528	223, 437, 096	225, 364, 640	252, 889, 715	253, 569, 038	244, 003, 657	231, 230, 457
	Salt	12, 447, 117	12, 234, 027	.....	.....	.....	.....	.....
	Tobacco	13, 476, 064	13, 584, 351	12, 770, 023	14, 787, 241	19, 302, 190	20, 198, 736	19, 685, 415
	Sugar	4, 634, 476	4, 257, 301	3, 694, 543	8, 055, 047	8, 883, 809	12, 395, 765	13, 862, 502
	Customs	93, 248, 607	96, 396, 041	85, 858, 180	94, 705, 850	96, 924, 331	96, 932, 108	95, 026, 774
	Stamps	14, 651, 966	14, 846, 065	15, 395, 842	15, 965, 469	16, 184, 952	16, 577, 725	16, 305, 730
	Fees, etc	9, 116, 196	9, 902, 679	9, 902, 200	9, 563, 513	8, 648, 804	9, 834, 045	9, 885, 090
	Succession and deed of gift duties	.....	.....	.....	.....	1, 347, 479	4, 635, 032	3, 573, 313
	Passports	3, 380, 573	3, 341, 260	3, 270, 290	3, 296, 033	3, 302, 422	3, 290, 297	3, 285, 349
	Duties on express railway traffic	7, 074, 743	8, 089, 154	7, 787, 997	8, 347, 253	7, 986, 763	8, 163, 444	8, 736, 914
	Tax on fire-insurance policies	2, 143, 591	2, 605, 268	2, 889, 657	3, 183, 712	3, 082, 574	3, 235, 206	3, 311, 146
	Tax on increase of salaries of public officials	930, 148	967, 147	950, 291	920, 307	790, 746	1, 010, 827	1, 090, 374
	Various taxes	2, 778, 586	2, 826, 010	2, 729, 619	3, 008, 273	2, 861, 319	3, 068, 690	3, 278, 351
Royalty dues	Royalties on mines	504, 410	380, 528	507, 942	746, 086	2, 615, 056	2, 046, 748	2, 008, 329
	Royalties on mint	4, 831, 276	4, 717, 195	2, 636, 654	953, 580	1, 331, 160	853, 486	520, 061
	Post-office	13, 330, 661	13, 747, 809	14, 410, 155	14, 741, 136	15, 078, 319	15, 538, 461	15, 939, 114
	Telegraphs	7, 381, 490	7, 736, 392	8, 339, 023	8, 547, 001	8, 882, 860	8, 851, 461	9, 316, 309
Domains	Land tax, etc., from domain peasantry and colonists on lands in Baltic provinces	671, 881	683, 763	660, 611	669, 193	732, 094	750, 928	720, 609
	Special agricultural taxes	7, 214, 392	7, 695, 382	7, 612, 134	8, 092, 531	7, 816, 282	8, 075, 278	8, 551, 101
	Sale of state property	5, 387, 211	5, 418, 695	5, 049, 367	5, 170, 122	4, 856, 724	4, 723, 476	4, 757, 940
	Forests	13, 540, 815	14, 725, 976	14, 681, 873	14, 737, 625	13, 125, 370	13, 271, 054	14, 064, 596
	Mines, etc	4, 391, 524	4, 327, 274	4, 203, 587	5, 084, 014	4, 614, 595	4, 144, 879	4, 307, 225
	Railways	2, 029, 463	2, 294, 693	3, 795, 721	4, 171, 374	10, 077, 773	14, 708, 127	14, 052, 659
Yearly payments in redemption of peasants.	Payment by peasants	.....	.....	.....	.....	.....	.....	39, 608, 388
	Sum taken from funds of ancient credit establishments	.....	.....	.....	.....	.....	.....	7, 000, 000
Miscellaneous sources of revenue.	Technical establishments, books, etc., published by state	1, 310, 913	1, 354, 588	1, 404, 186	1, 267, 469	1, 325, 779	1, 378, 672	1, 398, 334
	Sale of various produce	3, 886, 879	3, 328, 779	3, 164, 760	2, 629, 921	2, 149, 346	2, 239, 032	2, 083, 767
	Payments by railway companies:							
	Interest on shares belonging to treasury	17, 182. 629	10, 871, 657	15, 622, 326	16, 843, 970	16, 324, 174	23, 391, 988	37, 355, 786
	Reimbursement of treasury advances	.....	.....	.....	.....	.....	2, 423, 896	511, 859
	State securities and profit on credit operations	6, 316, 002	5, 787, 872	4, 317, 756	4, 206, 588	3, 983, 575	4. 088, 219	6, 163, 206
	Educational payments	851, 747	860, 209	867, 571	798, 560	662, 172	708, 683	698, 410
	Re-imbursement of treasury advances	18, 571, 878	20, 777, 232	21, 875, 076	27, 351, 704	16, 805, 159	19, 694, 470	18, 419, 210
	Various fines, etc	1, 686, 109	1, 472, 030	2, 131, 993	1, 632, 082	1, 140, 617	1. 387, 474	1, 350, 999
	Contributions of municipalities to treasury	9, 596, 426	9, 694, 547	10, 890, 101	12, 839, 875	12, 995, 537	13, 745, 391	14, 284, 934
	Receipts in compensation for military expenditure	175. 000	175, 000	2, 341, 956	6, 758, 275	5, 395, 196	.....	.....
	Incidental miscellaneous receipts	9, 259, 070	9, 096, 451	8, 413, 694	9, 788, 773	10, 060. 038	7, 824, 665	16, 232, 031
	"Recettes d'ordre"	4, 499, 373	5, 493, 592	7, 135, 265	5, 611, 347	4, 545, 214	5, 076, 154	3, 916, 478
Total		661, 054, 192	651, 010, 683	651, 754, 010	703, 711, 508	698, 980, 983	704, 527, 760	762, 282, 843

It will be seen from the foregoing that the actual revenue in 1885, viz, 762,282,843 rubles, exceeds that of all the previous years, and shows an increase over that of 1884 of 57,755,083 rubles. The reason for this large increase is the afore mentioned inclusion for the first time in 1885 of the operations connected with the redemption of peasant lands. If the sum received under this head (viz, 46,608,388 rubles) be deducted, the revenue of 1885 only exceeds that of 1884 by 11,146,695 rubles. This last increase over the preceding year, in spite of the decrease under the heads of drinks, land, and capitation taxes, customs, etc., is due to the returns from new taxes imposed in 1885 on industrial and commercial profits, which produced 3,602,350 rubles included under the head of trade licenses, by an increase of 13,963,798 rubles in railway profits, and by the inclusion under the head of miscellaneous receipts of 5,312,645 rubles from peasant land redemption dues (besides a sum of 9,468,000 rubles from the same source, carried to the credit of extraordinary resources).

The decrease under the head of land and capitation tax in 1885 of 8,863,286 rubles as regards the estimates, and of 3,944,217 rubles in actual receipts as against those of the previous year, is attributed to the wretched crops in 18 important governments, as well as to the fall in the price of cereals. (It has been stated that in the course of 1885 and 1886 rye was selling in the provinces of the interior as low as 23 copecks per pood=36 pounds.) Agriculturists suffered further exceptionally during 1885 from hail-storms, fires, and mortality among the cattle. The decrease in 1885 under this head as against the average of the five preceding years was 8.04 per cent. of the total revenue of those years, and exceeds by 2.38 per cent. their average (5.66 per cent.).

With regard to drinks generally, the decrease of 12,773,200 rubles is divided amongst every category, and is fairly attributable to the decreasing means for purchase by the vast mass of the people, owing to the depression both in commerce and agriculture. Besides this the imperial decree of May 14, 1885, diminishing the fees on the retail sale of spirits, made a difference of nearly 3,000,000 rubles in the returns under this head in 1885 as against 1884, and the new regulations concerning breweries of July 1, 1885, under which brewers are entitled, on making a deposit on account, to postpone the entire payment of their excise till the following year, told also adversely on this year's returns.

The loss on tobacco is accounted for by a considerable reduction in the acreage under cultivation.

The increase of 1,466,827 rubles of revenue under this head is due to increase of production in 1884–'85, viz, 11 per cent. In view of this increase measures were taken to encourage its export. Two imperial decrees, dated July 12 and November 9, 1885, insured to exporters not only the re-imbursement of the excise, but a drawback on export fixed, firstly, at 1 ruble, and subsequently at 80 copecks per pood (36 pounds). Stimulated in this manner, the export of sugar assumed large proportions (4,415,718 poods in 1885).* The amount of re-imbursement of excise duty reached 2,870,217 rubles, of which 1,238,030 rubles was covered by the sum allotted for the purpose in the estimates of 1885, and the remainder was advanced and carried to the debit of 1886.

Deducting these 2,870,217 rubles for excise duty re-imbursed from the actual receipts from sugar in 1885, the real produce under this head (not deducting drawbacks) amounted only to 10,992,375 rubles. In 1884 this sum was exceeded by 1,403,390 rubles.

The receipts from customs in 1885 produced 95,026,771 rubles. In

*63 poods equal 1 ton.

examining this branch of revenue since 1879, it will be seen from the subjoined table that the fluctuations during those years were insignificant, with the exception of the year 1881, which is accounted for by the emptying of bonded warehouses in 1880, consequent on the announcement of an increase on all duties of 10 per cent. to take effect from January 1, 1881. The customs returns in 1885 show an increase of scarcely 2,000,000 rubles compared with 1879, and this in spite of the numerous measures taken during those six years to increase the tariff on a large number of articles, and to tax many which were hitherto free. Although the greater number of these measures were not for fiscal purposes, but chiefly to protect and encourage native industry, a considerable increase in the customs returns had been anticipated from them. This, however, did not turn out to be the case. It had been expected that on these measures coming into force an increase of some 30,000,000 rubles would have taken place after these years, which would have been specially noticeable in the returns for 1885, whereas the actual increase in that year over 1879 was scarcely appreciable. This is explained by the steady diminution in the import of foreign goods, and stagnation in every branch of the export trade.

The following table shows the value of exports and imports during the above-mentioned period in Russian trade, not including Finland:

Year.	Imports.	Exports.
	Rubles.	*Rubles.*
1879	562, 087, 000	613, 530, 000
1880	589, 733, 000	500, 664, 000
1881	485, 010, 000	547, 845, 000
1882	527, 512, 000	667, 343, 000
1883	519, 137, 000	627, 419, 000
1884	491, 649, 000	553, 963, 000
1885	385, 697, 000	504, 784, 000

This table is compiled for the years 1879 to 1884 from the "Recueil du Commerce Extérieur de la Russie," and for the year 1885 from the "Résumé Sommaire du Commerce Extérieur de la Russie à sa Frontière Européenne."

This may partly account for the large apparent diminution in the imports in 1885, as it evidently does not include the very considerable item of tea imported very largely over the Asiatic frontier.

The diminution in the import of the principal articles is shown as under:

Imports.

[In poods.]

Articles.	1879.	1880.	1881.	1882.	1883.	1884.	1885.	Difference between 1879 and 1885.
Tea	854, 000	1, 146, 000	625, 000	838, 000	907, 000	989, 000	770, 000	84, 000
Drinks	1, 077, 000	148, 000	808, 000	974, 000	988, 000	1, 062, 000	740, 000	337, 000
Tobacco	102, 000	1, 373, 000	75, 000	98, 000	88, 000	83, 000	78, 000	24, 000
Salt	9, 050, 000	9, 060, 000	148, 000	10, 291, 000	9, 470, 000	5, 330, 000	2, 648, 000	6, 402, 000
Raw metals	28, 503, 000	32, 101, 000	24, 316, 000	22, 721, 000	22, 962, 000	24, 456, 000	18, 970, 000	9, 533, 000
Olive oil	1, 420, 000	1, 453, 000	1, 095, 000	1, 177, 000	1, 490, 000	1, 400, 000	1, 096, 000	324, 000
Burning oils	1, 712, 000	1, 446, 000	1, 204, 000	1, 039, 000	449, 000	269, 000	134, 000	1, 578, 000
Wool	979, 000	822, 000	748, 000	808, 000	611, 000	503, 000	626, 000	353, 000
Cotton yarn	875, 000	568, 000	381, 000	355, 000	226, 000	166, 000	172, 000	703, 000
Articles of steel, iron, and block tin	1, 787, 000	1, 654, 000	1, 894, 000	2, 350, 000	1, 718, 000	1, 473, 000	1, 224, 000	563, 000
Machinery	2, 507, 000	4, 016, 000	1, 419, 000	1, 896, 000	1, 858, 000	1, 590, 000	1, 376, 000	1, 131, 000
Woolen stuffs	140, 000	135, 000	89, 000	92, 000	69, 000	56, 000	51, 000	89, 000
Cotton goods	84, 000	92, 000	70, 000	74, 000	61, 000	49, 000	44, 000	40, 000
Linen and hemp	964, 000	927, 000	662, 000	269, 000	222, 000	290, 000	369, 000	595, 000
Silk goods	7, 000	8, 000	5, 000	5, 000	5, 000	5, 000	5, 000	2, 000

The large increase in the item of legacy and free-gift duties in 1884 over 1885 was due to an exceptional windfall in the former year of nearly 2,000,000 rubles on the succession of Baron von Stieglitz.

Although the returns from the tax on express railway transport shows a nominal increase in 1885 of 573,470 rubles as against 1884, this is only due to back payments received during the former year. There was a decrease in the number of passengers in 1885 of 544,592 as compared with the previous year, the receipts in 1885 being also actually less by 89,195 rubles than they were in 1884.

The increase in the returns from the post and telegraph services in 1885 is due to the steady extension of the facilities afforded to the public to make use of them.

There is an increase on the profits from seal shooting and various fishery licenses of 475,823 rubles as compared with 1884.

The "Recettes d'ordre" show a decrease of 1,159,679 rubles in 1885 as against 1884, owing to the returns from the imperial printing and stationery offices not being included under this head in 1885. A corresponding reduction will be found in the expenditure under this head.

Extraordinary receipts.

The receipts under this head provided by the budget were 84,760,642 rubles, derived from—

	Rubles.
War indemnities	3,125,000
Peasant land-redemption dues	9,468,000
Issue of 5 per cent. stock	50,000,000
Realization of certain railway obligations	22,167,642
Total	84,760,642

Of this there were actually received in 1885:

War indemnities—	Rubles.
From Khiva	150,000.00
On account of war indemnity from Turkey (being less than the sum estimated by 377,571.75 rubles)	2,597,428.25
Peasants' redemption payments	9,468,000.00
Received for Bank of Russia	50,000,000.00
Realization of railway obligations (or 22,148,375.76 rubles less than the estimates, nearly the whole of this item having figured in the returns for 1884)	19,266.24
Total	62,234,694.49

Receipts not taken into account in the estimates:

Treasury bonds	3,200.00
Perpetual deposits	481,462.00
Repayment of advances to railways	8,899,124.09
Total	9,383,786.09

Total of extraordinary receipts in 1885, 71,618,480.58 rubles.

Besides the above-enumerated ordinary and extraordinary receipts, there is a remanent of 3,127,537.32 rubles now available from the resources of 1881, which has been carried to the credit of supplementary receipts to cover ordinary expenses of 1885.

EXPENDITURE IN 1885.

The provisions of the budget for ordinary expenditure amounted to 788,294,696 rubles, and, deducting 1,501,534 rubles for "Dépenses d'ordre" (which are, as usual, covered by the receipts under the same head), there remain 787,793,162 rubles.

Supplementary credits added 31,695,844.67 rubles to this sum, making a total of 819,189,006.67 rubles.

The actual expenditure incurred amounted to 806,614,346.46 rubles, distributed as follows:

Payments made in advance during—	Rubles.
1884	10,938.192.86
1885	696,923,609.60
1886 (before the final closing accounts for past year)	26,738,576.30
Remanent still unpaid	72,013,967.70
Total	806,614,346.46

Unused credits to the amount of 12,874,670.21 rubles were canceled on the account for the year being closed.

The subjoined table shows the amount and steady increase of the ordinary expenditure actually incurred from the years 1879 to 1885, inclusive:

Year.	Expenditure.	Increase +; decrease —.
	Rubles.	*Rubles.*
1879	617,215,991	+30,971,275
1880	651,182,709	+33,966,718
1881	699,679,191	+48,496,482
1882	687,260,219	−12,418,972
1883	714,837,073	+27,576,854
1884	727,336,286	+12,499,213
1885	789,294,696	+61,958,410

The large increase in 1885 over the preceding year is principally due to the introduction into the budget of the expenses connected with the operations for the redemption of peasant lands, before alluded to, to the amount of 55,259,854 rubles. The remaining increase of 6,618,565 rubles is due to increased expenditure on the part of the various administrative departments of the state. This increased expenditure was distributed as follows:

Department.	Amount.	Department.	Amount.
Ministry of—	*Rubles.*	Ministry of—	*Rubles.*
War	3,899,481	Justice	333,533
Marine	1,798,930	The interior	295,067
Domains	860,695	Foreign affairs	151,814
Public debt	759,416	Imperial audit office	53,937
Ways and communication	576,675	Direction of studs	47,491
Public instruction	733,792	Great bodies of state	34,308

The principal supplementary credits granted were necessitated as follows:

In the ministry of war, for renewal of equipment and armament, owing to the deterioration of materials in store.

In the ministry of marine, for increased naval construction, marine artillery, and torpedoes.

In the department of public instruction, for increased subsidies to the universities and for the establishment of new district and parish schools.

In the ministry of the interior, for the creation of the government on the Amoor and the expenses entailed by its establishment.

In the ministry for foreign affairs, to meet increased loss by exchange and for additional administrative expenses.

The hope expressed by the ministry of finance that the supplementary credits, amounting to 26,000,000 rubles in 1884, might show a further diminution, has not, therefore, been realized, these items presenting in 1885 an increase of some 5,000,000 rubles over those of the preceding twelvemonth.

The comptroller, however, states that the bulk of these supplementary credits is made up of items due to quite exceptional causes, those for the ministries of war and marine being necessitated by the political complications in 1885, and a large proportion of the remaining supplementary credits being for re-imbursement of excise duty and premium on the export of sugar, these collective items absorbing 43 per cent. of the whole.

Without taking into consideration the exceptional payments connected with peasant land-redemption operations, the supplementary credit for the service of the public debt was inferior by 2,432,508 rubles to that of 1884.

The actual supplementary credits, viz, for expenses foreseen but undertaxed in the estimates, exceeded those of 1884 by 1,797,976 rubles, being 8,114,771 rubles as against 6,316,795 rubles. The sum, for instance, allotted in the estimates for 1885 for the payment of guaranties to railways was less by 1,416,000 rubles than the sum allotted in 1884, but was found deficient by 2,191,507 rubles.

Of the unexhausted credits (12,874,660.21 rubles) in the year 1885, over 5,000,000 rubles had been set apart for the use of the ministry of war.

The total actual expenditure, as audited, of 1885 amounted to 806,614,346 rubles, showing an increase in the great spending departments of 21,821,184 rubles over the provision made for them in the estimates, or, deducting the 3,000,000 rubles specially allotted to cover certain deficiencies, expenditure exceeded estimates by 18,821,184 rubles.

The following table gives the actual expenditure incurred from 1879 to 1885, inclusive:

Actual expenditure.

Heads of expenditure.	1879.	1880.	1881.	1882.	1883.	1884.	1885.
	Rubles.	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*	*Rubles.*
Public debt	171, 283, 244	172, 975, 550	194, 581, 103	199, 870, 056	200, 701, 658	209, 875, 285	*263, 594, 663
Great bodies of the state	2, 100, 696	2, 220, 133	2, 165, 953	2, 206, 413	2, 010, 779	2, 186, 903	2, 137, 876
Holy synod and orthodox worship	10, 166, 239	10, 334, 937	10, 304, 493	10, 406, 796	10, 573, 403	10, 599, 856	10, 717, 361
The Emperor's household	11, 849, 278	11, 106, 830	10, 342, 350	11, 461, 752	12, 071, 882	10, 560, 000	10, 560, 000
Ministry for—							
Foreign affairs	4, 170, 170	4, 806, 782	4, 223, 640	4, 206, 310	4, 276, 056	4, 467, 013	4, 119, 518
War	188, 284, 952	209, 506, 409	226, 829, 056	202, 233, 935	201, 596, 734	199, 566, 434	206, 651, 930
Marine	27, 328, 032	29, 353, 681	30, 466, 055	30, 998, 065	30, 963, 278	34, 842, 648	88, 871, 873
Finance	95, 848, 207	113, 647, 178	110, 012, 106	102, 655, 300	101, 266, 200	97, 336, 209	†108, 253, 736
Ministry of—							
Domains	19, 209, 497	20, 959, 003	20, 827, 888	20, 569, 416	21, 649, 694	21, 830, 378	22, 831, 258
Interior	62, 972, 624	66, 647, 641	69, 996, 117	70, 455, 542	72, 441, 914	71, 684, 025	71, 330, 320
Public instruction	17, 371, 100	17, 938, 651	18, 540, 506	19, 135, 938	19, 622, 372	19, 476, 558	20, 349, 299
Means of communication	12, 200, 349	13, 285, 301	12, 456, 157	11, 180, 304	20, 897, 763	21, 816, 514	22, 948, 787
Justice	17, 871, 574	18, 387, 674	18, 416, 277	18, 866, 175	19, 558, 961	19, 684, 324	20, 146, 631
Imperial audit office	2, 287, 386	2, 396, 629	2, 316, 971	2, 473, 976	2, 774, 394	3, 018, 518	3, 093, 040
Imperial direction of studs	888, 910	938, 914	934, 388	941, 278	932, 756	968, 010	1, 018, 054
Supplementary payments	989, 872	1, 044, 079	1, 842, 252	1, 391, 429	2, 335, 414	.....	.....
Total	614, 882, 130	695, 549, 392	734, 255, 402	709, 052, 685	723, 673, 258	727, 902, 678	‡806, 614, 346

* Inclusive of 55,417,757 rubles for peasant land redemption.
† Inclusive of 1,843,467 rubles for peasant land redemption.
‡ Inclusive of 57,261,224 rubles for peasant land redemption.

From the above figures it will be seen that the total expenditure of 1885 exceeds that of 1884 by 78,711,671 rubles. This increase is due, as aforementioned, to the insertion in 1885, for the first time, of 57,261,244 rubles for the redemption of peasant lands under the heads of public debt and finance. With the deduction of this particular item, the expenditure in 1885 only amounted to 749,353,122 rubles.

Extraordinary expenditure.

The budget estimates for this expenditure amounted to 77,000,301 rubles, of which 27,000,301 rubles were for construction and amelioration of railways and harbors, and 50,000,000 rubles annuity to the Bank of Russia, in re-imbursement of advances made by that establishment to the Imperial treasury.

With regard to railway construction, a supplementary credit was given in the course of 1885 of 30,027,768.57 rubles, which, added to the original estimates, made up a total of 57,028,069.57 rubles.

The actual sum expended under this head was 56,523,822.60 rubles, and was distributed as follows:

	Rubles.
Payments made in advance in 1884	6,275.00
In 1885	31,009,629.43
In 1886 (before the accounts were closed)	12,298,863.64
Remain unexpended	13,209,054.53
Total	56,523,822.60

This expenditure exceeds that of 1884 (37,930,027.72 rubles) by 18,593,794.88 rubles, and was under the following heads:

	Rubles.
Railway construction in Poland and neighboring Governments	9,745,709.00
Transcaspian railway	9,577,104.17
Acquisition of railways by state	2,525,567.15
Manufacture of railway plant, rolling stock, etc	14,427,236.10
Amelioration of ports of Batoum, Rèval, Libau, and others	6,871,318.00

By the ukase of January 1, 1881, the debt owing to the Bank of Russia, which at that date amounted to 400,000,000 rubles, was to be repaid in eight annual installments of 50,000,000 rubles. A sum of 36,000,000 in metallic rubles, in 5 per cent. stock, was handed over in 1885 as an equivalent to the installment of 50,000,000 credit rubles due in that year. This arrangement was made in accordance with the terms of an Imperial ukase of June 8, 1884.

BALANCE OF 1885 BUDGET.

The ordinary expenditure for the year, as estimated in the above budget, was 789,294,696 rubles, exceeding the estimated ordinary receipts by 7,760,341 rubles, these latter having been estimated at 781,534,355 rubles.

As has been shown in the foregoing pages, the actual balance was as follows:

Ordinary expenditure.

	Rubles.
Payments made	734,600,378.76
Payments still due	72,013,967.70
Total	806,614,346.46
Ordinary receipts	762,282,842.75
Deficit	44,331,503.71

In adding, however, to the revenue the sum of 3,127,537.32 rubles (alluded to in a former paragraph as a surplus, now available, from 1881) its total rises to 765,410,380.7 rubles; the excess of ordinary expenditure over receipts is reduced to 41,203,966.39 rubles, and the difference between the estimated and actual deficit to 33,443,625.39 rubles.

Extraordinary expenditure was estimated at 77,000,301 rubles, to be covered by extraordinary resources. The expenses actually incurred amounted to 93,314,768.7 rubles, which, plus the amount still remaining to be paid, viz, 13,209,054.53 rubles, give a total of 106,523,822.60 rubles. The extraordinary resources, on the other hand, produced only 71,618,480.58 rubles, leaving an excess of extraordinary expenditure over receipts of 34,905,342.2 rubles.

The total, therefore, of ordinary and extraordinary expenditure in 1885 amounted to 913,138,169.6 rubles, and the total receipts to 837,028,860.65 rubles, showing an actual deficit of 76,109,308.41 rubles against a deficit in 1884 of 116,891,997.1 rubles.

On the 1st of January, 1885, there appears to have been in hand a credit of 122,613,764.67 rubles for ordinary and extraordinary payments due, which had not yet been made. Of this amount there was paid away during the year 1885 the sum of 67,283,119.48 rubles. There consequently remained on the 1st of January, 1886, a balance of 55,330,645.19 rubles in the treasury, which, added to the amount unexpended during 1885 of 85,223,022.23 rubles (made up of 72,013,976.70 rubles on the ordinary, and of 13,209,054.53 rubles on the extraordinary account), together made up a total of 140,553,667.42 rubles.

BUDGET FOR 1887.

The revenue and expenditure for the year 1887 is summarized by the minister of finance as follows:

	Rubles.	Rubles.
Ordinary receipts		793,118,046
Extraordinary receipts:		
War contributions	3,464,115	
Perpetual deposits in the Bank of Russia	862,000	
Repayment of advances to railway companies	1,625,000	
Assets available from liquidation of old credit establishments	9,500,000	
Treasury balances	27,058,634	
Bank operations for construction of railways and ports	42,463,079	
		84,972,828
"Recettes d'Ordre"		3,250,798
Total		881,341,672
Expenditure:		
Ordinary expenditure		829,676,080
Extraordinary expenditure for railways and ports		48,414,194
"Dépenses d'Ordre"		3,250,798
Total		881,341,672

Receipts.—The minister of finance observes that, in comparison with the estimates for 1886, those for the present year show an increase of 5,311,680 rubles, made up of an increase under twenty heads of revenue of 96,223,286 rubles, and of a decrease under eighteen heads of 90,911,606 rubles.

An increase of 2,109,000 rubles is anticipated from trading licenses; of 697,000 rubles on the 5 per cent. tax on funded property, on account of its extension to certain railway shares hitherto exempt; of 2,000,000 rubles from the sugar excise duty; of 15,026,000 rubles from customs

duties, owing principally to the increased relative value of the gold ruble, now reckoned as equivalent to 1.67 rubles credit ruble, instead of 1.50 rubles, as hitherto; of 590,000 rubles from the express railway passenger and merchandise tax, on account of the extension of the network of railways; of 144,000 rubles from the tax on fire-insurance policies; of 562,000 rubles from postal receipts, and of 728,630 rubles from telegraph receipts. Mines are expected to return more by 1,144,779 rubles, railways to show an increase of 193,160 rubles, and the payments for peasant lands redemption of 1,304,174 rubles.

An increase of 48,922,096 rubles is further anticipated from augmented payments by peasants belonging to the domain lands for the redemption of the lands ceded to them. In 1886 these payments amounted to 32,818,000 rubles. The capitation tax (now abolished) was estimated to yield 19,128,000 rubles in 1885, in lieu of which an augmented payment has to be made by the peasants of 16,218,000 rubles; of 18,431,067 rubles from securities belonging to the treasury, and from operations of the Bank of Russia; of 3,411,808 rubles from miscellaneous receipts, consisting chiefly of arrears of capitation and other taxes; and, finally, of 363,750 rubles from various fees.

A decrease is expected in the following items of revenue as compared with 1886:

From land and forest taxes a decrease of 51,335,838 rubles, owing to the loss of 19,128,000 rubles from the old capitation tax, and of 32,818,000 rubles hitherto paid by peasants for land redemption in yearly installments, and now included under a separate heading. Against these losses must be set a gain of 600,000 rubles on the Khirgiz tribute.

In spite of the favorable prospects of the wheat crop in various parts of the Empire, and of the limitation on July 1, 1886, of the distillery licenses, a decrease of 14,102,900 rubles is expected in the revenue from drinks, based on a calculation of the returns under this head of the first six months of 1886.

On the same grounds a decrease is anticipated in the returns from the legacy and free gift duty, of 290,816 rubles from the tax on mines, of 190,660 rubles from coinage, of 123,427 rubles from the tax on ecclesiastical property, of 376,709 rubles from state forests, and of 114,571 rubles from sales by the state of gunpowder and other articles.

From the average returns of the last three years a decrease is expected in the state share of railway profits on private lines of 577,280 rubles, of 4,347,260 rubles from repayment of advances made by the state, and finally a small decrease in tobacco, excise, stamps, and other items, amounting in all to 119,526 rubles.

Ordinary expenditure.—Compared with the estimates for 1886, those for the present year show an increase of 16,887,934 rubles, eight administrative departments showing an increase in their expenditure of 23,037,928 rubles against five departments showing a decrease of 6,149,994 rubles.

The minister of finance anticipates an increase in the charge for the public debt of 18,946,529 rubles. This is principally due to the incorporation into the budget of 17,491,000 rubles on 5 per cent. bank paper of the first issue of 1859 (to be paid off), and increase of interest on deposits from the old credit establishments; to a charge of 5,000,000 rubles for interest on the perpetual 5 per cent. railway stock issued in 1886; to a sum of 4,130,000 rubles held in readiness to pay treasury bonds due, but not presented for payment, both previous to 1885 and during 1886; and to 11,552,000 rubles for increased loss by exchange in payments to be made in gold (the gold ruble being now worth 1.67

rubles credit), these payments now amounting to 38,173,000 rubles. Against this increase is to be set a sum of 19,290,000 rubles, not included in the estimates, refunded by the treasury to the Bank of Russia, chiefly in payment of sums due by landed proprietors to the defunct county banks.

An increase of 355,745 rubles under the head of ministry for foreign affairs is accounted for by the increased depreciation of the value of the paper ruble, causing loss by exchange to this amount on payments made abroad. The expenditure of the ministry of war shows an increase of 2,631,446 rubles, of which 724,000 rubles are for the costs of the Transcaspian railways, and about 3,000,000 rubles for pay and equipment of troops. The items of rations and forage, on the other hand, show a decrease of about 2,000,000 rubles.

The ministry of the interior shows an increase of 683,248 rubles, chiefly owing to improved administration in the provinces; the ministry of justice an increase of 296,895 rubles; and both the imperial audit office and the direction of studs show a slight increase on the estimates of 1886.

A decrease of 5,142,800 rubles is anticipated in the expenditure of the ministry of finance; as, in spite of an increase of about 3,500,000 rubles in the item of pensions and subsidies to railway and other companies, there will be a decrease of 3,500,000 rubles in the re-imbursement of the excise duty on sugar, and of 3,600,000 rubles in the drawback on exported sugar. There will be further a decrease of 1,433,000 rubles in the expenses of preparing official documents, to which is added a saving, under the item of salaries to excise officers, of 213,000 rubles.

The ministry for domains shows a decrease of 218,337 rubles, the ministry of pub ic instruction of 144,012 rubles, the ministry for ways and communications a decrease of 610,536 rubles, and the expenditure connected with the great bodies of the state (senate, council of the empire, etc.) is less by 34,309 rubles.

Extraordinary expenditure.—Of the 48,414,194 rubles provided for under this head, 30,197,000 rubles are destined for the construction of various lines and branch lines of railway, inclusive of a charge for the Transcaspian line, 5,458,000 rubles for material and working of state railways, 4,061,000 rubles for material and working of private lines (in which the state has a share), 4,800,000 rubles for the purchase of railways by the state, and 3,710,000 rubles for the improvement of ports and harbors.

Dépenses d'Ordre.—These expenses, occasioned by the printing of volumes of laws, records, by the working of state mines and metallurgic establishments, and amounting to 3,250,789 rubles, are, as usual, provided for in the estimates by the "Recettes d'Ordre," described under similar headings.

The minister of finance points out that the deficit in the ordinary expenditure of 36,500,000 rubles is entirely covered from ordinary resources, and that the extraordinary expenditure of 48,000,000 rubles is exclusively devoted to reproductive objects. This latter expenditure shows a decrease of 20,000,000 rubles as compared with that of 1886. It must not be forgotten in considering the budget of 1887 that a sum of 52,000,000 rubles has been set apart for the extinguishing of public debt.

M. Bunge then reviews the various expedients for increasing the revenue, among which is a state monopoly of the sale of alcoholic drinks. He objects to this plan on the grounds of its having been

already tested on several occasions, and always abolished on account of the insufficiency of returns, and on the score of the general demoralization which it produced. The profits of the present salesmen would never be made by the state. The expenses of rent, "personnel," and personal expenses, would be as great in the one case as in the other; besides the extra expense of control and any profits now made in consequence of adulteration or fraud would benefit not the state, but only its dishonest employers.

Inquiry is being made as to whether a monopoly on the sale of tobacco is likely to be profitable to the state, but it is feared that such a measure would check the development of the growth of tobacco in Russia, as has been the case in Turkey.

The minister holds that any further purchase of railways by the state would not yield an increase of revenue to the Government; firstly, on, account of the large sums which would have to be disbursed in the purchase of "paying" railways; and further, on account of the incessant and conflicting interests of the industrial and commercial bodies as regards rates of transport, with which the state would have to deal.

His excellency counts on an increase in the returns from drinks in consequence of the additional copeck of excise duty, this being now 9 copecks per degree of strength instead of 8 copecks. His grounds for this expectation are that when the excise duty was raised to 8 copecks, the revenue returns from drinks showed, in 1885, an increase over 1883 of 21,000,000 rubles, and he trusts that the extra copeck and a possibly more favorable season for cereals may give an addition to the revenue under this head of from 20,000,000 to 40,000,000 rubles. He further hopes that the abolition of the excise on salt and the abolition of the capitation tax will have increased the spending power of the masses of the population.

A very important modification has been made concerning the Bank of Russia. This establishment has taken over the accounts of the old credit establishments throughout the country, now abolished, by which proceeding a sum of about 23,000,000 rubles (after all the expenses of the liquidation of these establishments had been paid) was available for use by the state. In other words, this sum enables the budget for 1887 to show a better front, or, as M. Bunge expresses it, "gives additional clearness and simplicity to the bank accounts."

This transaction (as well, indeed, as the whole of this last budget of M. Bunge's, issued shortly before his resignation) has been much criticised by his financial opponents as being a mere temporary expedient, and one which can have no permanent effect. This sum of 23,000,000 rubles, once expended in partly covering the deficit in 1877, disappears, and a deficit to the same amount will have to be provided for in some manner in the estimates for 1888. It is, they contend, a mere shuffling of accounts, involving nothing more than a change in the manner of book-keeping.

The establishment of the agrarian bank for the landed proprietors, which was opened in 1886, has now twenty-five branches open in thirty-two different provinces. Up to the 1st of December, 1886, it had investigated 2,331 demands for loans, and granted them to the amount of 70,000,000 rubles. Independently of its directly benefiting the land owners, the "Banque de Noblesse" has, by its action, materially reduced the difficulties under which they labored in obtaining loans from the ordinary country banks for long periods.

The peasants' agrarian bank opened seven new branches in 1886, and

is now at work in 34 provinces. On the 1st of December, 1886, they had advanced a sum of 42,000,000 rubles. The influence of this bank has been felt in preventing a depreciation in the value of the land in the market, which, for want of the facilities offered by the bank to the peasants to enable them to purchase, might have been sold at prices not remunerative to the sellers, and it has in this way largely influenced the question of emigration, by enabling peasants to settle on their own lands. A project for extending these banks to the kingdom of Poland has been submitted to the ministry of the interior and the governor-general of Warsaw for approval.

So far as could be ascertained from the returns up to December 1, 1886, the movement of commerce did not appear unsatisfactory to the minister of finance, the amount of exports during those eleven months having exceeded the imports by 43,000,000 rubles.

	Imported.	Exported.
	Rubles.	*Rubles.*
Over the European frontier	356, 000, 000	401, 000, 000
Over the Finnish frontier	9, 000, 000	16, 000, 000
Over the Transcaucasian and Astrakhan frontier	13, 000, 000	28, 000, 000
Via Irkutsk	26, 000, 000	2, 000, 000
Total	404, 000, 000	447, 000, 000

The export of cereals has, however, decreased in the same period by 66,000,000 rubles, while the imports during the eleven months of 1886, compared with the corresponding period of 1885, show an increase of 6,250,000 rubles. The principal articles of import showing an increase are (cotton 9,000,000 rubles) and tea (8,000,000 rubles). The import of manufactured articles has diminished by 3,000,000 rubles, of wine by 3,333,000 rubles, and of coal by 2,200,000 rubles.

It will have been noticed that the recognized offfcial value of the gold ruble is now 1.67 rubles, as compared with the credit ruble, and it is at this rate that the customs duties, and loss by exchange on payments made abroad, have been calculated in the budget for 1887. It may facilitate calculation to take the figures in rubles in the 1887 budget as worth 11 rubles to the pound sterling, the exchange averaging at 1*s.* 10*d.* to the credit ruble during the last six months, whereas for the accounts of 1885 the figures in rubles should be taken as worth 10 rubles to the pound sterling, the exchange during that year having averaged 2*s.* to the paper ruble.

The amount of credit rubles in circulation on January 1, 1886, is stated to have been 716,433,349 rubles, to which must be added 330,000,000 rubles remaining from the 416,000,000 rubles issued during the late Russo-Turkish war, which latter sum was to have been regularly destroyed and canceled, according to a ukase of June 8, 1884. This makes a total of 1,046,433,349 rubles in paper in circulation on that day. Of the war issue of 416,000,000 rubles, 86,000,000 rubles have already been destroyed.

On January 1, 1887, a similar amount, viz, 1,046,433,349 rubles, appears to have been in circulation, as, although there was no new issue, the state of the finances in Russia had not admitted of the annual installment of 50,000,000 rubles being paid over to the bank for destruction in the year 1886, an option being left to the minister of finance in this respect in the original ukase of January 1, 1881.

On the date of December 22, 1886, the imperial treasury had at its disposal the following resources:

Current account in paper.

	Rubles.
Rubles, after deduction of payments due January 1, 1887	21,000,000
In gold (reckoned at 1.67 rubles credit to 1 ruble gold) from customs	14,973,000
Securities bearing interest	13,317,000
At the mint, in gold and silver bars and small coin (reckoned in credit rubles)	26,581,000
Abroad in gold at foreign bankers, reckoned in credit rubles	29,496,000
Total	105,367,000

The following tables give in detail the estimated revenue and expenditure for 1887, as compared with those of 1886.*

It must not, however, be left out of consideration that no supplementary credits appear in the budgets for these two years. In 1885, the last year for which the accounts are actually closed and audited, these supplementary credits amounted to no less than 31,695,844 rubles, and there does not seem any reason why credits to a somewhat similar amount should not, as usual, crop up in the course of the year, which will have to be provided for by the present minister of finance.

BANK-NOTE CIRCULATION AND PUBLIC DEBT IN RUSSIA.

In connection with the remarks made in my previous report on the subject of the amount of paper rubles in circulation in Russia, which were based on official returns, I have now been enabled, by the courtesy of persons interested in the finances of Russia, to supplement this information by further details tending to throw a clearer light on the actual financial position of the country.

According to official returns the number of bank-notes in circulation on the 1st of January, 1886, was 716,433,349 rubles, plus 330,000,000 rubles of the 1,046,433,349 rubles extraordinary war issue during the Russo-Turkish conflict. These returns, however, do not allow for the reserve of unemployed notes in the Bank of Russia on the same date of 139,389,533 rubles.

The amount of gold and silver coin was—

	Rubles.
In the issue department	171,472,495
In the commercial department	77,736,240
Together in metallic rubles	249,208,735

There existed consequently in Russia bank-notes in actual circulation on January 1, 1886, to the amount of 907,343,816 rubles (the amount of the notes held in reserve by the bank, viz, 139,389,533 rubles, being deducted from the total amount in circulation, viz, 1,046,433,349 rubles).

The total amount of bank-notes in circulation not covered by gold, or silver coin, or bullion (1,046,433,349 rubles, minus 139,389,553 rubles, and 249,208,735 rubles), was therefore 657,835,071 rubles.

The difference between these figures and the amount indicated by Government in the appendix to the budget statement of the minister of finance for 1885, viz, 694,960,853 rubles, arises from the following cause: The Government, in arriving at this amount, take no account either of the gold and silver bullion in the commercial department of the bank,

* The tables mentioned are not reprinted.

amounting to 77,736,240 rubles (as this fund is technically supposed to be at the disposal of the bank for commercial purposes), or of the note reserve, amounting to 139,389,533 rubles; and, on the other hand, only admit their liability to the Bank of Russia on January 1, 1886, to be 150,000,000 rubles, on account of the war issue of 416,000,000 rubles instead of 330,000,000 rubles, which it practically is, and which sum is represented by paper rubles in circulation.

The Government allow these latter to amount to 716, 433,349 rubles to which they add the 150,000,000 rubles, admitted to be due, making a total of 866,433,349 rubles. From this they subtract 171,472,495 rubles, being the amount of bullion in the issue department of the bank, and arrive at the total of 694,960,354 rubles.

The following summary of the transactions which have taken place with regard to the above-mentioned war issue, will clearly explain why the Government consider only 150,000,000 rubles are still due by them under this head, instead of 330,000,000 rubles.

The ordinary bank-note circulation in Russia has not, for several years past, shown any great variation. During the late Russo-Turkish war the Government, short of funds, borrowed money from the Imperial Bank, and the latter, to cover its advances, issued bank-notes to the amount of 416,000,000 rubles over and above the then existing amount in circulation.

When the war accounts came to be settled by means of public loans, the above 416,000,000 rubles were not included in the amounts covered in this manner, so that they remained as a floating debt.

Seeing the inadvisability of allowing this state of things to continue, the financial authorities obtained the publication of an ukase on January 1, 1881, in virtue of which the sum of 16,000,000 rubles were immediately re-imbursed to the bank by the Treasury, and the remaining 400,000,000 rubles were to be re-imbursed by eight annual installments. The ukase stipulated that, as soon as the bank received these payments from the Treasury, it was to withdraw a corresponding amount of bank-notes from circulation, and ultimately burn or destroy them, as the state of the money market might allow.

The whole arrangement was made with a view to better the state of the exchange, and it undoubtedly would have had this effect had it been possible to carry out the original intentions of the ukase. Instead, however, of making the re-imbursements from surplus funds, the Government (never having had any surplus funds to dispose of) was obliged to raise loans to re-imburse the bank, simply substituting one form of debt for another, *i. e.*, instead of borrowing from the public against bank-notes, the Government borrowed against interest-bearing stock.

Up to the present the following has been the manner in which the first part of the above-mentioned ukase, viz, the re-imbursement by the treasury to the bank, has been carried out:

At the commencement of 1881 there was re-imbursed to the bank the sum of 16,000,000 rubles out of funds existing at the treasury.

At the end of 1881 50,000,000 rubles were re-imbursed by the issue of the Sixth 5 per cent. Billets de Banque Loan.

At the end of 1882 50,000,000 rubles were paid over out of general funds, which were, however, the proceeds of a loan.

At the end of 1883 another 50,000,000 rubles were re-imbursed to the bank by the issue of 6 per cent. non-redeemable gold rente.

At the end of 1884 a further 50,000,000 rubles were provided for the bank by the issue of 5 per cent. non-redeemable paper rente.

At the close of 1885 the 50,000,000 rubles were re-imbursed by the

issue of 5 per cent. non redeemable gold rente, leaving nominally due to the bank on January 1, 1886, the sum of 150,000,000 rubles only, as put forward in the Government statement.

At the close of 1886 a sum of 50,000,000 rubles was handed over to the bank from the issue of a similar 5 per cent. non-redeemable gold rente. These sums make a nominal total of 316,000,000 rubles, so that on the 1st of January, 1887, the Government considered that only 100,000,000 rubles remained to be re-imbursed so as to cancel the whole amount of 416,000,000 rubles, so far as the accounts between the treasury and the Bank of Russia were concerned.

With regard to the second and practical part of the arrangement, *i. e.*, the destruction of the bank-notes themselves, up to the present date (February, 1887) the bank has actually burnt 87,000,000 rubles—3,000,000 rubles on June 6, 1884, and 27,000,000 rubles on January 12, 1885—so that there still remain about 230,000,000 rubles out of the 316,000,000 rubles re-imbursed by the treasury to be destroyed.

PUBLIC DEBT.

The total amount of the public debt of all descriptions is stated to have amounted on January 1, 1886, to 5,186,194,196.59 rubles, and on January 1, 1885, to 4,467,453,670.18 rubles, so that there would appear to have been an increase of 718,740,526.41 rubles. In reality, however, this was not the case, and the difference arose principally from the fact that the general statement of the debt on January 1, 1886, included several loans in connection with the liberation of the serfs, which were formerly dealt with separately.

In adding, therefore, to the amount of debt on January 1, 1885, of 4,467,453,670.18 rubles, the total of these liberation loans, viz, 756,165,-207.21 rubles, we get a total of 5,223,618,907.39 rubles as the real amount to be compared with the figures of 1886.

During this last year no new loans of importance were contracted. An issue of 36,000,000 rubles of 5 per cent. metallic stock was authorized to cover the 50,000,000 of paper rubles, which had to be re-imbursed to the Bank of Russia, in accordance with the stipulations of the ukase of January 1, 1881.

As this arrangement, however, only constituted the consolidation of a portion of a floating debt, bearing no interest, into a 5 per cent. loan, the actual liabilities were left unchanged, except in so far as that the amount of 36,000,000 rubles having been included in the statement of debt at the rate of exchange of 1.50 rubles (paper) to the metallic ruble, the face amount slightly increased. Thus: 36,000,000 of metallic rubles, at 1.50 rubles, paper, is equivalent to 54,000,000 of paper rubles, against which re-imbursement only 50,000,000 rubles were written off by the bank.

Adding these 4,000,000 rubles, plus sundry small loans amounting together to 561,843 rubles (paper), to the sum of 5,223,618,907.39 rubles above quoted, we arrive at a total of 5,228,180,390.39 rubles (paper).

From this amount should be deducted the total of debt redeemed in 1885, viz, 41,956,193.30 rubles, and there remains the amount of paper or credit rubles originally indicated of 5,186,194,196.59 rubles.

In other words, the public debt during 1886 increased by 4,561,483 rubles for new loans, and decreased by 41,956,193 rubles applied in redemption of old loans, leaving per balance a decrease of 37,394,710 rubles, paper.

It is important to take into consideration what proportion of this public debt of 5,186,194,196 rubles was issued in gold or metallic rubles,

and what amount in credit rubles, as it is obvious that for the former each successive fall in the exchange entails a larger payment in paper rubles for interest and redemption purposes in exactly the same way as a fall in the price of silver entails a loss on the Indian exchequer for gold loans contracted in London. This is the more necessary, as the present price of a gold ruble is no longer 1.50 rubles (paper), as calculated in 1886, but is in reality 1.77 rubles, although taken by the minister of finance in his budget for 1887 as 1.67 rubles.

The total of gold issues, *i. e.*, of loans issued in gold up to January 1, 1886, amounted to 1,367,950,512 rubles (metallic), representing, at the exchange of 1.50 rubles, paper, 2,051,925,768 rubles of the 5,186,194,196 rubles mentioned above.

Calculating, however, the gold loans at the actual present rate of 1.77 rubles, the general statement of debt would be as follows: Gold rubles, 1,367,950,512, at 1.77 rubles, equal, paper rubles, 2,421,272,406; loans in credit rubles, 3,134,268,328, showing a real debt in paper rubles of 5,555,540,734, instead of 5,186,194,196, being an increase of 369,250,000 rubles over the admitted amount.

Thanks are due to the late minister of finance, Dr. Bunge, for having greatly simplified the public accounts. Formerly, the service of the Polish debt, of the serf-liberation loans, and various other items were never included in the general statement of the debt of Russia, so that it was difficult, if not impossible, to get a correct idea of the actual situation. At present, for the first time, it is relatively easy to do so, and the following official summary, in which the metallic ruble has been calculated as equivalent to 1.50 rubles, paper, enables one to grasp the whole position at a glance.

	Rubles.
1. Internal loans at different rates of interest, varying from 3 to 6 per cent., issued in paper rubles	1,415,032,081
2. So-called treasury bonds, which, however, constitute a permanent debt, as they are always renewed as they become due	240,000,000
3. Foreign and interior loans, issued in gold or metallic rubles, 515,964,179, at the rate of 1.50 rubles, paper	773,946,263
Total of ordinary loans	2,428,978,344
Railway loans, issued either abroad or in Russia, in gold, 835,301,825 rubles, at 1.50 rubles, equivalent to	1,252,952,737
Serf-liberation loans	741,817,827
Polish debt:	
In gold rubles 16,684,508=25,026,762 paper	
In paper 42,457,673	
	67,484,435
Bank-note circulation, not covered by bullion	694,960,853
Total debt in paper rubles	5,189,194,196

The public debt of Russia on January 1, 1883, was officially returned as follows:

	Rubles.	Rubles.
Public debt		3,183,416,703
Paper rubles in circulation	716,515,125	
Treasury debt to bank	417,000,000	
	1,113,515,125	
Against the bank reserve of	171,472,495	
		962,042,630
Railway loans, allowing for sinking fund:		
Consols 92,000,000*l.* or	920,000,000	
Nicholas Railway 560,000,000 fr. or	220,000,000	
		1,140,000,000
Total		5,285,459,333

The subjoined table gives the charge for the public debt, as officially published, for the years 1885, 1886, and 1887, which in pounds sterling may be stated to represent about as follows:

Year.	Amount.	Rate.
1885	£26,048,275	1.50 rubles, or 2s. to ruble.
1886	25,964,516	1.50 rubles, or 2s. to ruble.
1887	25,537,572	1.67 rubles, or 1s. 10d. to ruble.

Yearly charges on public debts.

	1885.	1886.	1887.
In paper rubles.			
Foreign loans:	*Rubles.*	*Rubles.*	*Rubles.*
Terminable	733,000	582,000	386,000
Perpetual	8,990,459	4,004,122	8,994,992
Internal loans:			
Terminable:			
Debt to sundry departments	305,837	305,782	305,769
5 per cent. bank bills	13,450,000	13,448,250	29,890,251
First and second lottery loans	13,281,500	13,291,000	13,284,750
First and second Oriental loans	44,000,000	43,999,913	43,999,855
Treasury bills	10,368,000	9,979,200	9,720,000
Debt on Polish Feuille de Liquidation	3,184,123	3,184,123	3,184,124
Perpetual internal loans	8,771,431	10,594,063	9,335,536
5 per cent. perpetual railway obligations	.....	.....	5,000,000
Interest on deposits of old credit establishments	.....	.....	1,020,000
Interest and sinking fund on consolidated bills issued for construction of railways, etc., including the redemption of peasant lands	112,847,239	108,700,931	101,663,179
Total in paper rubles	210,931,589	208,089,384	221,784,456
Gold rubles.			
External debt	24,345,213	24,846,828	24,825,380
Internal debt	7,760,000	8,759,844	8,260,480
Railway obligations	863,145	863,021	863,139
Bank bills	65,743	67,494	67,314
Difference in exchange	16,517,051	17,018,594	22,790,927
Total paper rubles	49,551,152	51,555,781	56,807,238
Grand total	260,482,741	259,645,165	278,591,694

SPAIN.

TAXATION IN MALAGA.

REPORT OF CONSUL MARSTON.

The licenses or taxes paid by the people to the General Government or municipality are called "contributions," and the mode of assessing and collecting them is rather a novel one.

The Government financial authorities at Madrid call upon each province for a certain sum to be collected from the merchants and trades people; the amount to be paid by each trade or occupation is stated, so much from the bankers, so much from the merchants, tailors, bootmakers, butchers, even to the smallest dealer in everything or anything. Each kind of business or trade has its allotment, or what is termed in Spain its "cuota." This cuota is estimated according to the population of the city, town, or village in which the occupation or trade may be carried on.

Thus, for illustration, the cuota for a merchant is put down at—

	Pesetas.
Madrid or Barcelona, per annum	2,645
Cadiz, Malaga, Seville, Grao, or Valencia	1,955
Alicante, Almeria, Carthegeña, Coruña, Santander, and Tarragona	1,610
Other capitals of provinces and sea-ports of 16,000 and upwards in population	1,000
Towns of 10,001 to 16,000	700
Towns of 2,500 to 10,000	500
All others pay	400

Now to illustrate the mode of collection, viz:

The cuota for the present year to be paid by the merchant in Malaga is put down at 1,955 pesetas, and the Government allows them to distribute the total sum required amongst themselves, so long as the aggregate is forthcoming; therefore, 3 merchants are selected by the Government and other 3 by the merchants themselves, to represent them. These meet together and make an assessment against each firm doing business in that city, according to the amount of business done by each, the largest firm paying, say, 2 cuotas, more or less, as the case may be, others paying 1½ cuotas, and so on down to the smaller concerns, who sometimes pay but one-fourth of a cuota. Each merchant is notified the amount which the committee has assessed him. If any feel that the sum is too large, they can go before the committee within ten days and argue their case, and do their utmost to have it reduced; if not successful they can appeal to the Government authorities, but generally some arrangement is made which is satisfactory to all; if not, the Government authorities simply assess a cuota to each, large and small alike, and payment must be made without further argument. This appeal to the authorities seldom occurs, for the small concerns who are assessed less than a cuota usually avoid any controversy, and the large firms are well able to pay and rarely pay more than their fair proportion. When a new firm starts in business the custom is to assess them the full cuota the first year, as it is claimed no one can tell how much business they will do. In the second year they are assessed in proportion to the amount of business they did the preceding year.

Again to the above "cuota" is added 18 per cent. as an annual tax to the city or municipality in which the merchant or tradesman is located, and still another 6 per cent. of the total is paid for the expenses of collection. Thus to a merchant who is assessed—

	Pesetas.
1 cuota in Malaga	1,955.00
City tax, 18 per cent	351.90
Collection, 6 per cent	138.41
Thus each cuota is really	2,445.31

CONSUMOS.

In every city, town, or village in Spain, a "consumos" duty is collected upon everything consumed, viz, anything to eat, drink, or burn. This duty is specific, and is collected by the custom-house, or at the landings, at sea-ports, or railway stations, or on all the public roads entering the city, town, or village.

The right to collect the "consumos" in Malaga is sold by the authorities, under written offers, to the highest bidder, a given sum being offered. When accepted they pay the cash, and all they can recover, over the amount paid, is their profit; but it takes an active man to insure

success, and there are few, in this part of Spain, who are willing to make the trial.

It is almost impossible to get a correct list of the amount levied on real estate in Spain. I don't think any one knows except the collector and the party who pays, and to undertake to adjust a fair rate of taxes collected and expenses paid out, either by the general, provincial, or city government, is an impossibility.

H. C. MARSTON,
United States Consul.

SWEDEN.

TAXATION IN SWEDEN.

REPORT OF CONSUL MAN.

Taxation in the Kingdom of Sweden, and in the district and municipality of Gothenburg, may be embodied in two general divisions: (1) National (staten); (2) Local (kommunal).

The national is derived from the following:

(1) Real estate.
(2) Income from capital or labor.
(3) Personal, per capita.
(4) Customs.
  (*a*) Light-house and beacon dues.
  (*b*) Revenue stamps.
  (*c*) Distilled spirits.
  (*d*) Manufacturing of beet sugar.

The local tax is derived from the following:

(1) Real estate.
  (*a*) Income from capital or labor.
(2) Church tax, on basis of state tax.
  per capita.
(3) Liquor-selling license.

NATIONAL (STATEN).

(1) REAL ESTATE.

Real estate is divided into two classes: (1) Agricultural real estate, which is taxed 3 öre* on every 100 kronor of its assessed value; (2) other real estate, which is taxed 5 öre on every 100 kronor of its assessed value.

The assessed value of all the taxable agricultural real estate in the kingdom, in the year 1883, amounted to 2,189,035,105 kronor ($585,861,407).

The assessed value of other taxable real estate in the year 1883, amounted to 1,024,415,435 kronor ($274,543,336).

(2) INCOME FROM CAPITAL OR LABOR.

All incomes exceeding 500 kronor per annum are taxed 1 per cent., subject to the following deductions:

	Kronor.
Incomes over 500 and under 1,200 kronor have deducted	4.50
Incomes over 1,200 and under 1,800 kronor have deducted	3.00
Incomes over 1,800 kronor have deducted	Nothing.

*One krona = 26.8 cents; 100 öre = 1 krona.

The income of 500 kronor, in which the wife's income is included, is, as above stated, free from taxation, and is permitted to be raised, at the discretion of the local authorities, to an amount not exceeding 700 kronor, in exceptional cases (in localities where living expenses are high in comparison with the prevailing cost elsewhere, as in the city of Gothenburg, where the exemption is 600 kronor), and in individual circumstances, where conditions are unfavorable (such as numerous family, long-continued illness, accident, etc.).

Private banks are taxed 2 kronor on every 1,000 kronor's worth of bank notes issued by them, and the estimate for the tax is based on the largest amount of their notes in circulation at any one time during the year previous.

Bankers have the amount of this tax added to the bevillning (or state tax) by the multiplication of which the local tax is adjusted.

Incomes from capital and labor include the following:

(*a*) Interest from loans, or interest-bearing obligations, deposited with institutions or private persons.
(*b*) Government, or church tithes, or compensation for the same, in favor of a church patron.
(*c*) Mining, lime kilns and quarries, and all works connected with them, grist and saw mills, manufactories, machine shops, distilleries, and all other works for the refining processes of raw materials, dairy industries, financial and mercantile business, shipping, navigation, trades, and other occupations.
(*d*) Traffic on canals, rivers, railroads, or other public thoroughfares.
(*e*) What is gained from the pursuit of art or science.
(*f*) Fees and emoluments of service, special commissions, salaries, etc.
(*g*) Pensions, annual support, life interests.
(*h*) Every other income not enumerated, and which is not taxable as real estate.

(3) PERSONAL, PER CAPITA.

Personal per capita tax (mantalspenningar) consists of a tax irrespective of age, of 40 öre for every male; 20 öre for every female.

(4) CUSTOMS.

Indirect (1884).

	Kronor.
Customs	29,000,000
Light-house and beacon	1,200,000
Revenue stamps	3,125,000
Distilled spirits	11,000,000
Manufacturing beet sugar	100,000
	44,425,000

Every official document, and every bill of exchange exceeding $26, requires a stamp, from which the state derives an income of 3,125,000 kronor annually.

LOCAL (KOMMUNEN).

(1) REAL ESTATE.

From the tax on real estate and income by capital or labor is derived the greater part of the amount raised for the expenses of the community.

The amount levied by the state on real estate and income is used as a basis or foundation of the local or kommunal tax, in cities and towns; which amount is called "bevillning," (contribution). The city or town authorities ascertain the amount necessary to meet the expenses of the year, and after deducting any income the city or town may have, find

the relative value the amount bears to the amount collected by the state from real estate and income, and use it as a multiple for their assessment; for example:

If the bevillning (amount of state tax on real estate and income) in the city or town was 100,000 kronor, and the amount to be raised 400,000 kronor, then every tax-payer for every kronor paid to the state on real estate and income is assessed 4 kronor by the city or town.

This year (1887), in the city of Gothenburg, for every kronor paid to the state as bevillning 4 kronor and 75 öre are paid to the city.

(2) CHURCH TAX.

Church tax on the basis of the building is a tax levied for the support of the state church, and is expended for building and repairing churches or parish buildings, salaries of priests, church servants, sextons, etc.

This tax is apportioned on the foundation of the bevillning also; the estimated expenses of the church for the year being divided among the tax-payers by certain rules on the basis of the bevillning. This year, in the city of Gothenburg, it amounted to about seven-twelfths of the amount of state tax.

Church tax, per capita (kyrkoskatt), consists of a personal tax, irrespective of age or sex, of 50 öre per capita.

The amount of bevillning is also used as a foundation for the local tax in the country. A fractional part of each kronor paid as bevillning is there called a "fyrk." Each 5 öre, or fraction thereof, of the bevillning is counted as 1 fyrk in taxing agricultural real estate; *e. g.*, if a taxpayer paid 20 kronor to the State as bevillning, in estimating his local tax he would be debited with 400 fyrk, and be assessed so much for each fyrk for the local expenses, as if the whole number of fyrk in the district amounted to 60,000 and the expenses for the year to 30,000 kronor, then every tax-payer would have to pay 50 öre for each fyrk debited to him.

On real estate, other than agricultural, each 10 öre or fraction thereof is counted as 1 fyrk, thereby giving agricultural real estate double the number of fyrk on each kronor paid as bevillning, and consequently a higher rate of taxation than other real estate. But as the state tax is 3 per cent. on agricultural land and 5 per cent. on other real estate, the difference is not so great as would at first appear, although if the local amount to be raised should be high in proportion to the state tax it would levy a considerably heavier tax upon the agricultural real estate.

The national Government derives an income from railroads, telegraphs, forests, and farm rents, etc., and fees still existing on the ancient system of national defense, amounting in all to about 20,000,000 kronor per annum.

	Kronor.
The indirect taxes to the state from custom dues, revenue stamps, etc., as before shown, annually amount to about	44,425,000
The indirect local taxes annually amount to about	5,780,000
Total indirect tax	50,205,000
The direct tax, national and local, annually amount to about	49,800,000
Total direct and indirect	100,005,000

In the year 1883 the population of Sweden was 4,580,000 inhabitants, and on account of the large emigration does not increase materially, so that the above amount, 100,005,000 kronor, representing the total tax burden, would be about 22 kronor 17 öre for each individual,

or on an estimate of five members to each family a tax of about 110 kronor 85-öre for each head of a family.

Those subject to the income tax are:

Swedish citizens who are living in the kingdom, for all the income received, whether from home or abroad.

Swedish citizens who are not living in the kingdom, for the income derived therefrom.

Also foreigners who have lived continuously for one year or the greater part of three consecutive years in the kingdom.

Exemptions from income tax are:

Real estate—

Belonging to the state;

Belonging to cities or communities, academies, scientific and all other institutions of learning and charity, with the plats, lots, and buildings belonging to them;

Belonging to the military and used by them;

Belonging to owners of railroads, canals, public road, or water ways occupied by the same, together with stations, workshops, and other buildings used by them.

Incomes—

Of the state;

Of churches, academies, scientific societies, institutions of learning, hospitals;

Of cities and communities on incomes not derived from business or trade;

Of members of the royal family;

Of diplomatic and consular corps abroad;

Of diplomatic and consular officers belonging to foreign powers, except what is derived from business;

Of foreigners pursuing studies in the Kingdom;

Of Laplanders from reindeer raising.

Personal property of every description is entirely exempt from taxation.

The assessors, in estimating the incomes, use the amount of home rent paid by each tax-payer as a gauge by which to calculate the probable amount of income, as follows:

Should the yearly rent amount to from 300 to 500 kronors, the income is estimated at least three times the amount; 500 to 1,000 kronors, four times the amount; 1,000 to 1,500 kronors, five times the amount; above 1,500 kronors, six times the amount.

There is a great deal of complaint made against the pressure of taxation upon real-estate owners, particularly on the farming community, partly owing, it is said, to disproportionately high assessments; and from the foregoing it may be also seen that, by the system of local taxation, the agricultural real estate is actually taxed higher than other real estate and incomes. Another explanation may be, that, personal property being exempt, the tax burden falls upon real estate and income, and the latter, as is well known, being more difficult to reach, the real estate consequently bears the greater weight of the taxes. The fact that the great emigration movement here has risen chiefly in the farming districts has been brought forward as evidence of the weight of the tax on this class, but doubtless in considering the emigration of the agricultural class there should also be taken into account, besides the farmer's taxes and his share of the burden of a protective tariff with comparatively little benefit from the same, the high latitude of his lands and short summers, which naturally are more detrimental to agriculture than to other industries, coupled with his competition with farmers of other countries much more advantageously situated.

Statistics show the forced sales under execution of country real estate from 1881–'85 to have averaged 5.2 per cent. of all the sales.

There seems to be considerable dissatisfaction over the tax for the maintenance of the state church and clergy, which is especially felt by

all those belonging to other denominations, who, in addition to the state church tax, have their own clergy and houses of worship to support. Bills to modify or abolish this tax have been brought before the Diet from time to time, but thus far without effect.

The system of taxation in Sweden has, as a foundation, so many remote usages and ancient conditions of life that it would almost seem to require the evocation of the wise Odin and the rune stones to elucidate the existing methods and obsolete terms, which are apparently but little understood by the present generation of tax-payers themselves.

ERNEST A. MAN,
Consul.

UNITED STATES CONSULATE,
Gothenburg, August 30, 1887.

SWITZERLAND.

TAXATION IN SWITZERLAND.

REPORT OF CONSUL-GENERAL WINCHESTER.

The revenue of the Federal Government is derived largely from customs duties and postal-telegraph service. These two items constituted the sum of 44,435,200 francs in a budget of 52,527,000 francs, estimated gross receipts from all sources for the fiscal year 1887. The residue comes from a few special taxes.

SPECIAL TAXES.

(1) *Citizenship.*—The right to acquire cantonal and communal citizenship is granted to foreigners by the Federal Council on the payment of 35 francs.

(2) *Railways.*—The Federal Council is authorized to levy on the railway companies a tax of 50 francs for each kilometer in active service, whenever the business of the company shows a net profit after providing a suitable sinking fund of 4 per cent. Should the profits exceed 4 per cent., the tax may be increased to a maximum of 200 francs. In 1885, the last report, only six lines were found liable to any tax, and four of these were short funicular railways ascending summits used as summer resorts, such as the Rigi, Giessbach, Gutsch, and Territat.

(3) *Banks of issue.*—The banks pay to the confederation 1 per cent. on the amount of their issue. It may be added here that these banks pay also to the canton in which located 1 per cent. on the amount of deposit required to be made and of which the canton is the custodian. Any cantonal taxation on issue is limited by federal law to 6 per cent.

(4) *Trade-marks.* The registering of each trade mark is 20 francs.

(5) *Commercial houses.—Register A.*—Registering commercial house.

	Entry.	Cancelling.	Change.
	Francs.	*Francs.*	*Francs.*
One proprietor	5	3	
More than one	10	6	3
Stock companies:			
Not exceeding 100,000 francs	20	10	10
100,000 to 1,000,000 francs	50	25	25
Over 1,000,000 francs	100	50	50
All the societies	10	6	3
Powers of attorney for same	5	3	.....

Register B.—(Entries 3 francs, cancelling free.)

Register B, is a special register for all associations not falling under the enumerated classes, but desiring to be registered.

(6) *Gunpowder.*—The Government has a monopoly of the manufacture and sale of gunpowder, from which is realized about 500,000 francs annually.

(7) *Military tax.*—Every Swiss of the age for military service, from twenty to forty-four years old, living in the territory or out of the territory of the confederation, and who does not personally perform military service is subject in lieu thereof to the payment of an annual tax in money. Foreigners established in Switzerland are likewise subject to this tax, unless they are exempt therefrom by virtue of international treaties or belong to a State in which the Swiss are neither liable to military service nor to the payment of any equivalent tax in money. The following are exempt:

(1) Paupers assisted by the public charity fund, and those physically or mentally infirm and incapable of earning their subsistence, or do not possess a sufficient fortune for the support of themselves and family.

(2) Those rendered unfit through previous service.

(3) Swiss citizens in foreign countries, if they are subject to a personal service, or to an exemption tax for the same in place of domicils.

(4) The railway and steam-boat employés during the time when they are liable to the military service organized for the working of the railways and steam-boats in time of war.

(5) Policemen and the federal frontier guards.

This military tax consists in a personal tax of 6 francs and of an additional tax on property and income, the amount exacted from any one tax-payer not to exceed 3,000 francs per annum.

The additional tax is, (1) for each 1,000 francs of net fortune, 1.50 francs; (2) for each 100 francs of net income, 1.50 francs.

Net fortunes less than 1,000 francs are exempt, and from the net income there is entitled to be deducted 600 francs. Net fortune is the personal and real property after deducting debts of record, chattels necessary for household, tools of trade and agricultural implements. Real estate and improvements are assessed at three-fourths of the market value.

In computing the property of a person for this tax, half of the fortune of the parents, or if not living, then of the grandparents, is included proportionally to number of children or grandchildren, unless the father of the taxpayer shall himself perform military service or pay the exemption tax.

Net income embraces: (1) The earnings of an art, profession, trade, business, occupation, or employment. The expenses incurred to obtain these earnings are deducted, also necessary household expenses, and 5 per cent. of the capital invested in a business. (2) The product of annuities, pensions, and other similiar revenues.

From the age of thirty-three to the completion of the military age only one-half of the tax is exacted.

The federal assembly has the right to increase the tax to double the amount for those years in which the greater part of the élite troops (as distinguished from the landwehr or reserve) are called into active service.

The military tax for Swiss citizens residing abroad is calculated every year by special rolls and the persons advised by the officials of the canton of their birth. The tax for exemption is paid in the canton where the tax-payer is domiciled when the rolls are prepared. Parents are responsible for the payment of the tax for their minor sons and for those sons who, though of age, remain a part of their household.

The period for prescription is five years for tax-payers present in the country and ten years for those absent from the country. The cantons are charged with making out the annual rolls and collecting the tax. By the end of January following the year of the tax the cantons must remit to the confederation the half of the net product collected, a portion of which is assigned by the federal assembly to the fund for military pensions.

The estimated receipts from this tax for the share of the confederation is placed in the budget for the year 1887 at 1,235,000 francs.

This military-tax law was enacted in 1878, and was put in force the same year.

FEDERAL EXPENSES.

The expenses of the Federal Government are usually kept within the budget estimates, and deficiency bills are practically unknown. The budget often shows a small deficit. This doubtless serves to stimulate economy in the various administrations, and as a result the close of the fiscal years shows a balance on the other side of the official ledger.

The budget for 1886 shows a deficit of 470,000 francs. The recent closing of the accounts for 1886 has changed it into a credit balance of 300,000 francs. There is no report showing the expense of collecting the Government revenues or the proportion it bears to the income. Federal statistics are very limited, both as to character and detail, relying much upon cantonal and communal statistics.

CANTON OF BERNE.

The law recognizes the following taxes as direct:

(1) Property tax; (*a*) ground tax; (*b*) capital tax.

Exemptions: (1) Buildings and ground property of the state used for public purposes; (2) churches, parsonages, school-houses, hospitals, asylums, roads, rivers, and lakes; (3) grounds incapable of cultivation or pasturage; (4) establishments under federal administration; (5) railway stations and appurtenances; (6) real estate under 100 francs value.

There is a division of real estate into several classes, viz: Ground property (without forest), forests, and improvements.

Then another division as to kind of cultivation: (1) Gardens, orchards, meadows, and arable lands; (2) pasture ground; (3) vineyards.

There is also a subdivision of these three classes as to value, viz: Forests are valued according to: (1) Yield of wood; (2) market price of wood; (3) climatological conditions resulting from topography.

Buildings are classed and valued according to the construction of the walls and roofing, material, stone, brick, wood, or frame-work filled with broken stone or butts, and for what purpose used, dwelling, barn, granary, store, or manufacture.

The tax is 2 francs for each 1,000 francs of assessed value. Of this 1.70 francs is for general administration, and 30 centimes for pauper fund.

The assessed value is reached by deducting debts for which the property is made liable by mortgage, lien, or other legal process. But this provision excludes debts, though secured as above, which are due the confederation, or to creditors not within the jurisdiction of the canton.

Capital tax covers personal property, stocks, rents, annuities, etc. If the creditor of stocks, bonds, or rents for which property is bound resides out of the jurisdiction of the canton, the owner of the prop-

erty must pay the tax; but it is considered as being paid in behalf of the creditor, and he is authorized to retain the amount so paid from interest or rent due by him.

The assessment of the tax on stocks, etc., is arrived at by fixing a value of twenty-five fold the amount of annual interest or rent or dividend, and of this each 1,000 francs is taxed same per cent. as the real estate or 2 francs per 1,000.

The ground property pays tax in the district where it is located and listed, personating where the owner is domiciled or claims domicile.

Income tax.—Persons subject are: (1) All persons established in the canton, including Swiss citizens of other cantons and foreigners. (2) Temporary residents beyond six months. (3) All companies, corporations, etc., licensed to do business.

The tax is divided into three classes:

(1) Income from professional pursuits, trades, or employments which carry with them salary, wages, fees, or emoluments, and income from industry, commerce, and manufacture; this class pays 3 per cent.

(2) Income from annuities, pensions, etc., pays 4 per cent.

(3) Income from interests, stocks, bonds, shows, deposits (not subject to the tax on property in the canton) pays 5 per cent.

From the first class is exempt the sum of 600 francs, and 100 francs from the second and third class.

This exemption can be made only once, and can not be claimed by a party who may be engaged in two distinct pursuits or business, as deductible from each one; and although husband and wife may be engaged in separate business and keeping separate accounts, the allowance is only made for one. In addition, however, to the 600 francs allowed in the first class, there is 10 per cent. additional permitted for expense account in producing income; that is, the net income is sought to be taxed.

To illustrate: A. has a salary of 3,050 francs annually. From this he may deduct, first, 600 francs, leaving 2,450, then 10 per cent., or 245 francs, leaving his net income 2,205 francs. On this he pays 3 per cent. to the canton and 3 per cent. to the commune of Berne.

Persons whose official positions entitle them to receive certain privileges and perquisites of value, such as parsons, teachers, policemen, and employés in certain establishments who may be furnished with fire-wood, free lodgings, and small tracts of ground, must add the same to their gross income on the following scale:

	Francs.
Parsons	300 to 800
Teachers	50 to 200
Policemen	50
Employés	1,000 to 2,000
Their assistants	500 to 1,000

Indirect taxes.—Tax on inheritances, legacies, and donations.

All real property, with certain exemptions, in the canton, passing by inheritance or donation, is subject to this tax, regardless of the domicile of the testator, donor, heirs, or donee.

Personal property is subject to the tax in all cases where the testator donor at the time of his death, or the heir or donee at the time of receiving the same, is domiciled or staying within the canton.

The exemptions are: (1) When passing to direct descendants by operation of law or special demise. (2) In case of husband or wife, where there are living issue of the marriage or descendants of the same. (3) When in favor of Swiss public institutions, such as hospitals, asylums, schools, etc. To purposes of the same kind of a private character the council of state is empowered to remit altogether or make any

abatement deemed proper of the tax. (4) Where the amount does not exceed, in case of husband or wife without children, 5,000 francs; in all other cases 1,000 francs.

Before imposing this tax there are deducted any legacies or debts the inheritance may be charged with, including the property of the wife, if she is the heir or devisee and there are no children or descendants, then it is:

(1) When the heir or receiver is husband or wife and no children or descendants from same, 1 franc from 100 francs.

(2) When heir or receiver is related in ascending line: (*a*) 1 franc from 100 in the first degree (parents); (*b*) 2 francs from 100, further degree.

(3) When heir or receiver is related in the collateral line: (*a*) In the second degree (brothers or sisters of same parents, also half sisters and brothers entitled to inheritance under the French civil law) 2 francs from the 100 francs. (*b*) In the third degree (uncle and nephews and the half brothers and sisters entitled to inheritance according to the Bernese civil law), 4 from the 100 francs. (*c*) In the fourth degree (children of brothers and sisters), 6 from 100 francs. (*d*) In the fifth degree, 8 from 100. In all more remote degrees, 10 from 100 francs.

Markets, traffic, hawking, etc.—These can be taxed only so far as space, stalls, and extra expense for police, fire department, and sanitary purposes may be involved.

(1) Offering articles for sale: (*a*) By driving about in the streets or carrying into the houses, 1 to 50 francs. (*b*) Temporary stores during fairs, etc., and selling off under liquidation, 20 to 200 francs. (*c*) Soliciting from other than dealers, 10 to 200 francs. (*d*) Hawking in rags, bones, skins, ashes, old iron, old clothes, glass, and bristles, 1 to 20 francs. (*e*) Makers of sieves, baskets, straw plaiters, saw grinders, tinkers, glaziers, tin workers, 1 to 20 francs. (*f*) Traveling actors, singers, photographers, rope dancers, jugglers, objects of natural history (exhibited), and shows generally, 5 to 100 francs.

The amounts above named cover the period of one month. The license officer, however, under the law, can exercise discretion in fixing the rate, taking into consideration in cases of hawkers, etc., if they are old and infirm, or if residents, or from another canton. The maximum of 200 francs per month, or 3½ francs per day, is rarely imposed.

Ohmgeld or *cantonal duty* (on malt and spirituous liquors of Swiss origin):

		Centimes.
(1) Wine in casks containing more than a litre	per liter	4½
(2) Wine in bottles	do	9
(3) Cider	do	1
(4) Beer	do	2
(5) Brandy in bottles	do	20
(6) Spirit of wine, alcohol, and all other distillations measurable with the brandy meter up to—		
Thirty-two degrees	per liter	12
Thirty-three to thirty-four degrees	do	13
Progressing to 99 and 100 degrees	do	39

IMPORTED.

		Centimes.
(1) Wine casks containing less than a liter	per liter	5
(2) Wine in bottles	do	40
(3) Cider	do	2
(4) Beer	do	2½
(5) Liquors and brandy in bottles, also sweet and compound liquors in larger vessels	per liter	40

(6) Alcohols and other distillations of same degree are taxed as brandy with an additional 10 per cent.

Alcohol intended for mechanical purposes, and on entering the canton mixed with something by the officials to prevent frauds, is free.

This cantonal duty, or "ohmgeld," has been a source of large revenue to the canton of Berne, yielding about one million francs annually, but under provision of the federal constitution ceases in 1890; and should the law recently enacted by the federal assembly transferring to the Government the entire control and taxation of distillation and submitted to a referendum to be taken on the 13th of the month, and which it is generally conceded will be approved by the popular vote, the cantons, only a few of which have the "ohmgeld," will be deprived of the same at once, and will be made some allowance by the Government for the loss during the time for which their right to collect this tax would otherwise have run.

Public houses and retailing spirits.—These are divided into (1) Houses that lodge, board, and sell spirits; (2) houses that sell food and spirits and do not lodge. The first pay according to a classified list of eleven, ranging from 300 to 2,000 francs per annum.

The second embraces eight classes, and runs from 300 to 1,600 francs.

Ten per cent. of the amount realized from this tax is given to the commune wherein the houses are located for schools and paupers.

In small places no distinction is made in the tax of houses that lodge and those which do not. The town council by reducing the license may compel a public house to provide lodging. The prefects may, where recommended by the local police, license stands for the sale of milk, coffee, tea, and pastry 5 to 20 francs per annum, or 50 centimes per day, in behalf of the canton. The licenses above named are per annum.

Many of the Swiss public houses being kept open only during the summer, the tax is levied pro rata.

Confectioners who serve liquors are subject to an annual tax of 50 to 100 francs.

"Pensions" serving liquors other than that served at the table or to others than their regular boarders as distinguished from transient customers, pay a tax of 100 to 600 francs. So soon as it is discovered they lodge transient customers they are placed under the schedule of public houses.

To retail liquors in a small way in the bar-room, where the sales are under 15 liters in quantity, a license is granted only to persons in enjoyment of full civil and political rights and of good character. The license must be paid yearly in advance and may be deducted from the income of the party paying it.

LICENSE.

	Francs.
For wine	50 to 300
Distilled liquors	200 to 600
The above two rights combined	250 to 800
Liqueurs	50 to 300

One-half of this tax goes each to canton and commune.

Hawking spirits is not permitted. From this license-tax is exempted: (1) Public houses with general license. (2) Venders of beer, cider, and wine of their own production. (3) Distillers with their own production, except that from potatoes and cereals. (4) Apothecaries, where sold for medical purposes.

Manufacture of brandy and spirits for trade.—Annual tax for brandy of 50 degrees is 5 centimes per liter; alcohol, where the quantity amounts

to 1,000 hectoliters, 8 centimes per liter; one additional centime being charged for each additional 1,000 hectoliters. All distillation of potatoes, cereals, turnips, and other raw materials containing flour or sugar, also stone-fruit, drugs, waste of beer, grapes, roots of gentian, juniper and other berries where the product exceeds annually 150 liters and the materials are not all of domestic origin, is considered as being carried on for business or trade purposes.

For the product of distilleries, proven to be for exportation from the canton, nine-tenths of the tax is deducted.

Cantonal fire-insurance.—This insurance is obligatory for four-fifths of the taxable value. In case of fire the indemnity is made in proportion of the sum insured to valuation.

Single houses, isolated, without a fire-place and under 500 francs' value, are exempt from this law; and powder-mills, laboratories for fire-works, depositories of powder or dynamite and chemical manufactures are excluded.

Additional premiums for insurance are imposed in the following cases: (1) Houses with wood or partly wood roofs, 20 centimes per 1,000 francs. (2) When the wall in whole or part consists of material not fire-proof, from 10 to 20 centimes per 1,000 francs, according to distance from other buildings. (3) Where there is special risk from character of business carried on.

The fire-insurance tax varies according to the loss that may be suffered in a year. For 1885 it was assessed at 1.06 francs, with small additional assessments for some small townships.

Stamp tax.—All obligations, bonds, shares, and such contracts, in which the consideration is expressed by a fixed sum or may be accurately arrived at, 10 centimes for sums from 50 to 100 francs inclusive, 20 centimes for sums from 100 to 200 francs inclusive, and so on; 10 centimes for each additional 100 francs or fraction thereof.

Contracts for sale of real estate, deeds, notes secured by mortgage, deposit books for savings banks, wills, insurance policies, must be executed on what is known as stamped paper. It is in large sheets and costs 60 centimes a sheet.

Bills of exchange, checks, etc., 10 centimes for sums 50 to 100 francs inclusive, 15 centimes for sums 200 to 400 francs inclusive.

Stamped paper must be used on all obligations indorsed and assignable payable at sight, and from the day executed till presentation do not circulate longer than seven days.

Every pack of cards, 50 centimes.

Receipts, placards, advertisements, bills of lading, and other such instruments, 10 centimes.

For all other written instruments subject to stamp duty, according to the size of the paper used, 120 centimes for a full sheet, 60 centimes half sheet, 30 centimes for quarter, and 15 centimes for octavo.

The payment of the stamp duty is enforced by the use of stamped paper and *visa*, stamps (marks), and adhesion stamps.

Bills of exchange and checks, if not stamped when executed and delivered, or where executed out of the canton, if not stamped as soon as they come into the hands of the payee in the canton, and all other documents required to be stamped, if not stamped within 30 days from date of execution, are subject to a penalty of ten times the sum of the stamp tax.

Unstamped instruments have no validity in law.

State church tax.—All Protestant Swiss citizens who have not exer-

cised the legal right to withdraw from the state church are subject to a tax as follows:

On each 100 francs income:	Centimes.
Class I	15
Class II	20
Class III	25
On 1,000 francs:	
Ground valuation	10
Mortgages, etc., secured by real estate	10

Miscellaneous taxes or licenses.—There are a variety of other miscellaneous taxes or licenses imposed by cantonal law, such as the right to hunt and fish.

Engineers, architects, forest-keepers, and surveyors pay annually	francs..	12
Machinists for steam-engines, etc., and superintendents chemical works	do....	8
Veterinary surgeons	do....	4
Millwrights	do....	2
Travelers, guides, widwife, surgeons, transient servants	do....	1
Chimney-sweeps	centimes..	50
Loan offices, pawnbrokers, hospitals conducted for profit	francs..	20
Agents foreign insurance companies	do....	10
Solicitors of insurance companies and loan offices not located in canton	do....	20

The three years of 1884, 1885, and 1886 show in the cantonal budget a deficit for the first year of 766,249 francs, and a surplus for the other two respectively of 471 francs and 46,361 francs.

Years.	Estimate of fortune.		Debt.	Loans.
	Gross.	Net.		
	Francs.	*Francs.*	*Francs.*	*Francs.*
1884	184, 914, 520	47, 014, 107	137, 900, 412	60, 183, 000
1885	.....	.....	150, 589, 129	65, 486, 000
1886	193, 139, 188	47, 787, 247	145, 351, 933	64, 965, 600

Income.—Gross income of indirect taxes in 1882, 6,475,393 francs; collection and administration, 1,472,206 francs; net income, 5,003,187 francs, being 77.02 of the gross income.

Gross income of direct taxes in 1882, 3,569,483 francs; collection, etc., 165,622 francs; net, 3,403,861 francs, or 95.03 per cent. of the gross income.

The total taxes in 1882, direct and indirect, were, gross, 10,044,876 francs; net, 8,407,048 francs; being 18 francs 70 centimes per capita.

Income for 1885:	Francs.
Ground tax	1,748,210
Income tax, Class I	779,936
Income tax, Class II	15,848
Income tax, Class III	380,242
Capital tax	708,861
Collection of same	105,099
Administration	55,804

Citizenship, cantonal.—It should be added that the cost of citizenship in the canton of Berne is, for a foreigner, 500 francs, and for a Swiss of another canton, 200 francs.

TAXES OF THE CITY OR COMMUNE OF BERNE.

The tax on real and personal property is the same as in the canton, viz, 2 francs for 1,000. Classification and other features similar to cantonal.

The income tax is 3, 4, and 5 francs per 100, regulated as the cantonal.

Water tax.—Four francs for each room the house contains. The net profit annually to the city is about 15,160 francs.

Gas.—One-half franc on the 1,000 of the house valuation; yields over 100,000 francs net profit annually.

Schools.—Higher classes gymnasia, annually, 60 francs, and lower classes 4 francs. Pedagogical and commercial branches, annually, 60 francs.

Dogs.—Ten francs annually. Net profit, over 10,000 francs.

Burial tax is as follows:

	Francs.
To the police, for control and numbering stone	2.50
Watchman and janitor	2.00
Commission for reserved grave near the wall	6.00
A grave in the inner row of the Bremgarten	5.00
The undertaker:	
Hearse and two horses	8.00
Hearse and one horse	5.00
First class	5.00
Second class	5.00
Each coach, two horses	10.00
Each coach, one horse	6.00
To woman who issues the invitations and superintends the funeral ceremonies:	
Where hearse alone is used	5.00
Where two coaches are used	15.00
The sexton	10.00
Reserved grave	10.00
Unreserved, for adults	5.00
Children, 3 to 12	3.50
Children, under 3	1.50

Hearse and coaches, net profit to the city in 1886, 627 francs, and for graves sold, 4,800 francs.

Taxes for *permis de séjour* issued to temporary residents and foreigners established in the city yielded in 1884 3,478 francs.

Taxes for space and stalls in market, net profit in 1884 of 43,722 francs.

This privilege is divided into three classes, according to the locality.

First class, 20 centimes per meter daily for the weekly and meat market; second class, 30 centimes; and third class, 50 centimes. On other days and during the fairs which are held semi-annually the above charges are doubled. Hucksters of vegetables occupying a place on the street once a week are charged: First class, 70 centimes, running meter for three months; second class, 100; and third class, 140; and for each additional day, 20 centimes.

Persons who pay an income tax to the city in the first-class of income are entitled to a discount of 30 per cent. on the foregoing charges for space, etc.

Abattoir and its stables yielded in 1884 29,502 francs.

The stables may be used twenty-four hours free of charge. For each additional day—

Cattle, etc.:	Francs.
Large animals	.50
Small animals	.20
Sheep	.10
For slaughtering and inspection:	
Cattle, per head	6.00
Calves, per head	1.50
Sheep, per head	1.20
Goats, per head	1.20
Lambs and kids	.50

Those having slaughtering done for private use and not public sale are charged an additional fare on cattle—50 centimes on calves and 30 centimes on sheep. Inspection and official certificate of large animals, cattle, horses, etc., 50 centimes; for small animals, 20 centimes. For inspection of meat slaughtered and brought in for sale from the country: Large animals, 80 centimes; and small animals, 50 centimes; for smoked meats, sausages, etc., per 50 pounds, 30 centimes.

Weighing animals up to 1 quintal, 15 centimes; from 1 to 2 quintals, 25 centimes; and 10 centimes for each quintal.

For weighing butter up to 50 pounds, 5 centimes; cheese under 50 pounds, 5 centimes; and for cheese 50 to 100 pounds, 10 centimes. In large quantities an average of 10 centimes per quintal is charged.

There is a citizenship to be purchased in the commune of Berne as well as in the canton and Confederation. It is embraced in about thirteen guilds, as distinguished from the mere inhabitants, and these guilds have their several stipulations and value of membership. The sum charged varies according to the number of the applicant's family, for every member of the family becomes entitled to the citizenship and the perquisites attached thereto, which in some guilds are very considerable. The price in Berne ranges from 8,000 to 9,000 francs; besides, the applicant must possess property to the extent of 15,000 francs. So communal citizenship in a Bernese guild is quite an expensive luxury.

The property valuation of Berne for 1886, not including public buildings, school-houses, church-yards, parks, and promenade grounds, was, gross francs, 9,726,556, and net francs, 5,180,102.

The debt in 1886 was 4,546,454 francs, and loans 4,022,000 francs. The city budget for 1884 and 1885 showed a surplus of 114,134 and 58,503 francs. No report for 1886.

It is somewhat strange that the practice which prevails in giving in property for cantonal taxation of deducting all indebtedness secured by mortgage where the creditor resides in canton (to deny the same having been decided by the courts to be double taxation, and in contravention of a provision of the federal constitution prohibiting double taxation) has not been applied to the city or communal taxes. It is thought that as far as it is now applied there is much fraud practiced, and that fictitious mortgages are created for the purpose of evading just taxes. By permitting incumbrances in the beginning honestly made to continue after maturity, when the debtor is able to pay, secures their indefinite continuance at less cost than would follow from the additional tax, which would result from the liquidation of the incumbrance.

The canton of Berne is the most populous canton in the Confederation, containing 532,164 out of a total population of 2,846,102 (census 1880) or nearly one-fourth. I have obtained from Consuls Gifford and Staub the following very excellent statements as to the taxes in the cantons of Basle and St. Galle. These are much smaller cantons, St. Galle's population being 210,401, and that of Basle only 124,372, but they are both prosperous, rich cantons, and especially the latter, which is the strongest banking canton in Switzerland.

BASLE.

Of the taxes imposed by cantonal and municipal authority (the two jurisdictions being in Basle substantially the same) the four following are described by the law as direct:

I.—*The income tax*, which is progressive, the rate being augmented with the increase of the net income, thus:

Class.	Income.	Tax.
	Francs.	*Francs.*
First	800 to 1,200	5
Second	1,200 to 1,500	10
		Per cent.
Third	1,500 to 4,000	1
Fourth	4,000 to 8,000	2
Fifth	8,000 to 12,000	3
Sixth	*12,000	4

*And upwards.

The popular nature of this tax is shown by the following table, from which it appears that the 535 tax-payers of the highest class pay four times as much as the 7,397 persons belonging to the five lower classes:

Class.	Number of tax-payers.	Amount of tax.	Per cent. of tax-payers.	Per cent. of tax.
		Francs.		
First at 5 francs	2,237	11,180	28.20	1.15
Second at 10 francs	1,380	13,800	17.40	1.42
Third at 1 per cent	2,587	65,775.80	32.62	6.76
Fourth at 2 per cent	920	66,959.87	11.60	6.89
Fifth at 3 per cent	273	47,898.45	3.44	4.93
Sixth at 4 per cent	535	765,698.88	6.75	78.85
	7,932	972,318.00	100	100

II.—*The property tax.*—This is fixed by law at one-tenth of 1 per cent., but during the current financial year a supplementary tax of 80 centimes per thousand has been assessed, making the sum really collected nearly one-fifth of 1 per cent. To the purposes of this tax property-holders are divided into classes as follows:

Class.	Property.	Tax.	Class.	Property.	Tax.
	Francs.	*Francs.*		*Francs.*	*Francs.*
First	5,000 to 8,000	9.00	Eighteenth	250,000 to 300,000	450.00
Second	8,000 to 12,000	14.40	Nineteenth	300,000 to 350,000	540.00
Third	12,000 to 20,000	21.60	Twentieth	350,000 to 400,000	630.00
Fourth	20,000 to 30,000	36.00	Twenty-first	400,000 to 450,000	720.00
Fifth	30,000 to 40,000	54.00	Twenty-second	450,000 to 500,000	810.00
Sixth	40,000 to 50,000	72.00	Twenty-third	500,000 to 600,000	900.00
Seventh	50,000 to 60,000	90.00	Twenty-fourth	600,000 to 700,000	1,080.00
Eighth	60,000 to 70,000	108.00	Twenty-fifth	700,000 to 800,000	1,260.00
Ninth	70,000 to 80,000	126.00	Twenty-sixth	800,000 to 900,000	1,440.00
Tenth	80,000 to 90,000	144.00	Twenty-seventh	900,000 to 1,000,000	1,620.00
Eleventh	90,000 to 100,000	162.00	Twenty-eighth	1,000,000 to 1,250,000	1,800.00
Twelfth	100,000 to 125,000	180.00	Twenty-ninth	1,250,000 to 1,500,000	2,250.00
Thirteenth	125,000 to 150,000	225.00	Thirtieth	1,500,000 to 1,750,000	2,700.00
Fourteenth	150,000 to 175,000	270.00	Thirty-first	1,750,000 to 2,000,000	3,150.00
Fifteenth	175,000 to 200,000	315.00	Thirty-second	2,000,000 to 2,500,000	3,600.00
Sixteenth	200,000 to 225,000	360.00	Thirty-third	2,500,000 to 3,000,000	4,500.00
Seventeenth	225,000 to 250,000	405.00	Thirty-fourth	3,000,000 to 3,500,000	5,400.00

From the thirty-fourth class upwards the rate of progression is uniform, *i. e.*, half million intervals are fixed. Property under 5,000 francs is exempt from this tax.

The appraised value of all the real and personal property in the canton is 468,276,888 francs. Whether this justifies Minister Frey's suggestion that Basle is the richest city in the world of its size is doubtful, but it is a very comfortable property for a place of 70,000 inhabitants.

III.—*The municipal tax.*—Levied on the income, as established once in four years, of all persons over twenty years of age, living in the city proper. Though called a city tax it is levied and collected by the cantonal authorities and applies to the same class of persons as the other taxes, with the limitation of age above mentioned and with the exception of a small number of persons living in the rural communes.

For the current year this tax is established as follows:

Class.	Income.	Tax.
	Francs.	*Francs.*
First	800 to 1,500	6
Second	1,500 to 2,000	10
Third	2,000 to 3,000	16
Fourth	3,000 to 4,000	24
Fifth	4,000 to 6,000	32
Sixth	6,000 to 12,000	60
Seventh	12,000 to 20,000	120
Eighth	20,000 to 40,000	240
Ninth	40,000 to 60,000	500
Tenth	60,000 or over.	1,000

Incomes less than 800 francs are exempt from the municipal tax.

IV.—*The tax on successions, legacies, and donations, causa mortis (erbschaftsteuer).*—Property passing by will, succession, or donation to other persons than a husband, wife, or direct descendants, is taxed as follows:

If the beneficiary be a—	Per cent.
Parent	2
Grandparent, brother, or sister	4
Uncle, aunt, nephew, or niece	6
Cousin, great-uncle, or aunt	9
Person more remotely or not at all related by blood	12

The regular and ordinary taxes, therefore, to which a merchant not performing military service is subject, are the income tax and the property tax, the municipal tax, and the military tax. Supposing such a merchant to be under thirty-three years of age and to possess real and personal property of the value of 500,000 francs, yielding a net income of 30,000 francs, he would pay in conformity with law the following sums:

	Francs.
Income tax on 4,000 francs, 1 per cent	40.00
4,000 francs, 2 per cent	80.00
4,000 francs, 3 per cent	120.00
18,000 francs, 4 per cent	720.00
Total on 30,000 francs	960.00
Property tax, fourteenth class, 1.80 per 1,000 on 450,000	810.00
Municipal tax, eighth class, fixed sum for 30,000 income	240.00
Military tax, 1½ per 1,000 on property of 500,000	750.00
1½ per 1,000 on income of 30,000	44.10
poll tax	6.00
Total	2,810.10

This total computed on the property alone would amount to about three-fifths of 1 per cent.

A farmer living in the country, being of the same age as the merchant and likewise exempt from military service, having a clear property

of 20,000 francs and a net income of 1,200 francs, would be taxed as follows:

	Francs.
Income tax, fixed sum for income from 800 to 1,200 francs	5.00
Property tax, third class, sum for 20,000 francs	21.60
Military tax, 1½ per 1,000 on three-fourths of 20,000 francs property	22.50
1½ per 1,000 on income less than 600 francs	.90
poll	6.00
Total	56.00

In both the above supposed cases the aggregate tax must be considered as a minimum for persons exempt from military service. For besides the sum levied on successions, of which no account is taken in the computation, there are other extraordinary and incidental circumstances which may involve taxation. The following is a complete list of these contributions and taxes:

(1) *Tax on transfers of real estate.*—This is collected at the rate of 2 per cent. from the purchaser of all real estate or the beneficiary of a gift in all cases where the property does not pass from parents to children, is not transferred for public or benevolent purposes, is not sold by the assignee of a bankrupt, or, finally, is not sold by an heir to a coheir, the latter being a child, grandchild, or surviving husband or wife of the testator.

(2) *Fire department contribution.*—This tax is imposed in lieu of personal service at a fixed rate, as follows:

Class.	Income.	Tax.
		Francs.
First	Less than 1,500 francs	5
Second	1,500 to 3,000 francs	10
Third	3,000 to 6,000 francs	20
Fourth	6,000 to 12,000 francs	40
Fifth	12,000 francs and upwards	60

(3) *Contribution for street-lighting.*—Proprietors of buildings situated on lots lying not more than 60 meters from a street lamp pay a contribution of one-twentieth of the buildings in question.

(4) *License of corporations.*—Incorporated companies pay to the Government a fee of one-twentieth of 1 per cent. of their capital stock annually.

(5) *Bank-note tax.*—Banks of issue doing business in Basle pay to the canton three-tenths of 1 per cent. of their circulating notes.

(6) *The stamp tax.*—The following papers are subject to a stamp tax of 10 centimes:

Checks of over 100 francs, drawn payable in this canton.

Promissory notes not negotiable and not made and payable in this canton.

Provisional certificates of stock of over 50 francs, and certificates entitling to the delivery of bonds of over 100 francs.

Freight way-bills and warehouse certificates.

The stamp tax varies for the following documents, according to the form and quantity of the paper on which they are written: Contracts, insurance policies, bills of sale, wills, private inventories with signature, all notarial acts, copies of judicial decisions and judgments, abstracts of the same and of all official documents, books, and registers when made for the use of private persons and at their request.

These documents must bear a 10-centime stamp when written on a quarto sheet or less; 20 centimes when written on a simple folio sheet; 40 centimes on a double folio sheet.

The stamp t x for the following documents varies with the sum involved:

Bonds, with or without mortgage, executed in this canton, amounting to more than 100 francs; stock shares, issued in this canton, of a nominal value of more than 50 francs; accounts of auction sales; all negotiable paper issued and payable in this canton; memoranda of sales of securities of all kinds, except bills of exchange, whether the sales are for cash or on time, made at the exchange or elsewhere.

Of these papers, bonds, shares, and accounts of auction sales, are subject, for an amount up to 200 francs, to a stamp of 10 centimes; from 200 to 300 francs, 20 centimes; from 300 to 500 francs, 30 centimes; from 500 to 1,000 francs, 60 centimes; from 1,000 to 2,000 francs, 120 centimes; and for every further amount of 1,000 francs, or fraction thereof, 60 centimes.

Drafts, orders, promissory notes, and other negotiable securities pay, for 100 to 500 francs, 10 centimes; 500 to 1,000 francs, 20 centimes; 1,000 to 2,000 francs, 40 centimes; and for every further sum of 1,000 francs, or fraction thereof, 20 centimes.

Memoranda of sales of commercial paper must be stamped according to the account of the sales, as follows: Amount up to 5,000 francs, 20 centimes; from 5,000 to 10,000 francs, 50 centimes; for every further 10,000 francs, or fraction thereof, 50 centimes.

To complete the enumeration of all the sources of revenue enjoyed by the canton of Basle, it may be mentioned that the Government collects a duty on all wine and spirits brought into the city for sale; that it insures all the buildings of its citizens, and reserves to itself the monopoly of salt manufacture.

The present city government of Basle is now considering a plan for changing the existing system of taxation, with a view to charge the richer classes with a still larger proportion of the public burdens.

ST. GALLE.

Every citizen, be he a peasant in the country or a citizen of a town, pays annually a state tax to the cantonal government, which varies between 2 and 3 francs per 1,000 francs. For this year it was 2 francs. This is all the tax the State assesses, with the exception of a levy of 5 per cent. on the net earnings of corporations.

As to towns, the taxes differ very much, according to the material condition of each place. Some of them have school and church funds, and the same for charitable purposes, while others have none at all, and some only one or the other. The city of St. Galle has a school fund of 2,557,980 francs; a Catholic church fund of 3,206,077 francs, and a Protestant church fund of 1,476,251 francs. Thus, therefore, that towns have to assess as high as 7 francs on 1,000 for school and church purposes, while others—for instance, the city of St. Galle—assess this year 2 francs for school purposes and only 20 centimes on 1,000 for church purposes.

Before going any further it is proper to state that while under the new constitution the church and state are separated, it is very seldom that any one withdraws from the church, notwithstanding that it is optional for any one to do so and relieve himself from any obligation to the church.

Altogether different is the duty of the citizen towards the schools. Every citizen is compelled to belong to his respective school district, no matter how isolated he may live from the place of education. This has been the case ever since compulsory education has been inaugurated in Switzerland.

So much for the condition of taxation over the state called Canton. As to the city of St. Galle, the following have been the taxes for 1886:

		Francs.
State taxes, as before stated	per 1,000 francs	2.00
Political corporation	do	4.00
School	do	2.00
Church	do	.20
Household tax (poll)		2.00

Money tax.—Last, but not least, comes the income tax, which is as follows:

Class.	Income.	Tax.	Class.	Income.	Tax.
	Francs.	*Francs.*		*Francs.*	*Francs.*
First	800 to 1,000	1	Eleventh	5,500 to 6,000	63
Second	1,000 to 1,500	2	Twelfth	6,000 to 6,500	76
Third	1,500 to 2,000	4	Thirteenth	6,500 to 7,000	90
Fourth	2,000 to 2,500	7	Fourteenth	7,000 to 7,500	105
Fifth	2,500 to 3,000	11	Fifteenth	7,500 to 8,000	121
Sixth	3,000 to 3,500	16	Sixteenth	8,000 to 8,500	138
Seventh	3,500 to 4,000	22	Seventeenth	8,500 to 9,000	157
Eighth	4,000 to 4,500	30	Eighteenth	9,000 to 9,500	177
Ninth	4,500 to 5,000	40	Nineteenth	9,500 to 10,000	200
Tenth	5,000 to 5,500	51			

For an income amounting to over 10,000 francs each additional 100 francs pay $2\frac{50}{100}$ francs extra.

The system of "progressive taxation" in force in the canton of Basle prevails in several other cantons, and in the canton of Vaud has been made to apply not only to income tax, which is quite a common principle, but to all objects of taxation. For this purpose taxable objects are divided into three classes: (1) Real estate; (2) personal estate; (3) earnings. Each of these classes is subdivided according to valuation, and the rate of taxation increases with the increase of value. Thus, a man with real estate worth $5,000 will pay $1 a year tax; he who owns $10,000 will pay not $2, but $3; he who owns $20,000 will pay not $4 or $6, but $10. The same rule is applied to personal property; the rate of taxation will increase with each additional $500 valuation, so that he who has $100,000 in bank or in bonds will pay not ten times as much as he who has $10,000, but about thirty times as much. So with earnings, the rate will increase with each additional $500 of income, with the proviso that $80 shall be made as an allowance for each month to be fed.

The design of the system is of course to throw the burden of taxation on those who are best able to bear it, and by the gradual enlargement of exemptions it is an easy matter to bring the entire burden of taxes on a few, which is illustrated in the statement of Consul Gifford as to Basle. It is an experiment that has its dangers, and of very doubtful policy.

It may be well to notice briefly the taxes in a mountainous and thinly populated canton, and for this purpose Valais will be taken.

TAXATION IN VALAIS.

Taxation in this canton may be best explained by the instance of a single individual, the village blacksmith, who is an example of an average citizen, neither rich nor poor. His house belongs to him in fee; no other form of ownership is known in Valais. The taxable value of his property, say, is 9,000 francs. For assessment purposes land is divided into very numerous classes, valued at 2½ centimes for the worst up to 8 and 9 francs a yard for the best.

The assessment is made by a local commission, revised by three experts appointed by the canton. There are two taxes on real property: (1) Cantonal tax of 1½ francs on each 1,000 francs of capital value, and 50 centimes of this tax goes to a sinking fund for the extinction of the public debt. (2) Communal tax varying according to the needs of each commune, an average of 1 franc per 1,000, and this tax may be paid in work by arrangement with the commune. If real estate is mortgaged, one-half of the amount of the mortgage is deducted. The cantonal tax on capital values is levied not only on real property but on all securities, salaries, and pensions capitalized at ten times, and on incomes capitalized at twenty times their annual value. A register of all these taxable values is kept in each commune and furnished by it to the cantonal authorities. Besides these direct taxes, license duties are payable to the canton on the exercise of every kind of industry, occupation, or profession, from that of a banker to an ordinary artisan. For each occupation there are five and six classes with a maximum and minimum duty.

A banker of first class pays from 1,000 francs to 262 francs; lowest class of artisans, about 2 francs; saw-mils, 2 francs to 250 francs; wholesale timber merchants, from 100 to 500 francs.

Proprietors selling the produce of their own land are the only important exception to the law.

There is no tax on tobacco, which is consumed largely, nor on Swiss wines, beers, or spirts. There is a small duty on imported alcoholic drinks. These communes, especially in the poorer cantons, are very economically managed. There are some communes whose reported management expenses, including salaries of police, wood rangers, payments to presidents, councilors, and others are as low as 1,200 francs, and the entire income not exceeding 5,000 francs, but this figure does not representt he annual value of its property, as the commune pastures and forest are engaged for a nominal payment. These figures do not apply to the poorest communes, but an average commune in a mountainous canton. The principles on which most of these officials are paid is to give a nominal salary as a sort of retainer, and daily wages where employed. The president and councilors will be paid 3 francs for each sitting and for every day when attending to public business. It is considered obligatory on those elected to serve in turn, and such posts of honorable service are willingly accepted.

BOYD WINCHESTER,
Consul General.

UNITED STATES CONSULATE GENERAL,
Berne, May, 1887.

TAXATION IN ZURICH.

REPORT OF CONSUL CATLIN.

Every able-bodied citizen, property-owner, and resident in the canton of Zurich is subject to the payment of two distinct classes of taxes, viz:

I. Those imposed by the canton.

II. Those imposed by the respective townships composing it.

Both are collected by the town authorities, but at different times. The cantonal taxes are turned over to the treasurer of the canton, and the town is allowed to retain 1 per cent. as payment for their collection.

I.—CANTONAL TAXATION.

The system of direct taxation in vogue in canton Zurich is that which is known as "progressive," and is essentially democratic and leveling in its features. It eases the burden for the poor and the laboring classes, and places the greater weight upon the shoulders of those who are best able to bear it, and that, too, in proportion to their ability. From those to whom much has been given much is required, while the laborer, unable to save, and dependent upon his daily wages for his own and his family's support, fulfills his common obligation to contribute to the support of the state by the payment of a comparatively trifling amount. As a tax-payer grows richer he is taxed on a larger proportion of his wealth. The tendency of the law is to hinder, or at least impede, the accumulation of great fortunes. The young man who has saved up his first 5,000 francs is assessed on only one-half of it; if in his maturer years his fortune shall have increased to 100,000, he is assessed on four-fifths of it; if to 200,000, on nine-tenths of it; and if to upwards of 200,000 on all of it. Again, the same principle is followed in the taxation of incomes. The small clerk or salesman who earns a scanty salary of 1,500 francs is assessed upon only one-fifth of it, while the recipient of a 4,000-franc salary is assessed on four-fifths, and the man who earns a salary over that amount is assessed on it all.

In order to give a thorough understanding of the system, I have translated the cantonal tax law, and incorporate it in full herewith. It has now been in force for seventeen years, having been adopted in April, 1870, by a popular vote* of the canton. It gives evidence of wise thought, careful study, and a spirit fully in harmony with the free republican institutions of Switzerland.

CANTONAL TAX LAW.

TITLE I.—*Obligation to pay taxes.*

(1) In so far as the yield of the public domain and other lawful revenues are inadequate to defray the Government outlays, there shall be levied a tax upon property income, and citizenship, the amount of which shall be from time to time determined by the cantonal council when the estimates are made up.

(2) The following are subject to property tax, viz: (*a*) Landed property, whether in or out of the canton, belonging to a citizen or resident of, or to a corporation existing in, the canton. (*b*) Land and appurtenances thereon in the canton belonging to a person living outside of the canton. (*c*) The property of any person living outside of the canton, which is held in trust by the authorities thereof.

(3) The following are exempt from property tax, viz: (*a*) The public domains, church, school, and pauper lands and endowments, and also the township buildings and

* Yeas, 23,934; nays, 20,781.

property, both movable and immovable, serving for public uses and yielding no revenue. (*b*) Property outside of the canton, whether consisting of land or of the appurtenances thereon, and belonging to a resident of the canton, when a property or income tax is leviable on the same in the locality where it is situated. (*c*) The property designated in section 2, letter *c*, whenever the same is subject to a property or income tax at the owner's place of residence. (*d*) The clothing, books, tools and implements, and necessary household utensils of the party taxable.

Furthermore, according to the necessities of the case, amounts up to 3,000 francs per each person may be exempted from cantonal taxations, in the property of orphans and other persons incapable of self-support.

(4) The profits and incomes of citizens, settlers, and existing corporations, domiciled within the canton, are subject to income tax.

(5) The following are exempt from income tax, viz: (*a*) The yearly revenue in interest, rent, or jointure, based upon any capital taxable as property. (*b*) The amount of 500 francs from every income. (See article 19, section 3, of federal constitution.)

(6) In estimating the property of a tax-payer, resident in the canton, debts are to be deducted from the collective value of his possessions. In the case of the taxable possessions of one residing outside of the canton, the debts existing thereon may only be deducted when the tax-payer can bring proof that the possessions in question are not burdened with debts out of proportion to those standing against the remainder of his property.

(7) In estimating an income derived from the carrying on of any industry, there shall be deducted not more than 5 per cent. of the working capital, and also the costs involved in the acquirement of the income, with exception, however, of housekeeping expenses.

(8) All citizens and settlers residing in the canton and who are entitled to vote on cantonal affairs are liable to a citizenship tax.

(9) Liability to property and income taxation commences from the time when a person comes into possession of a taxable property or income. Strangers in the canton are liable to taxation from the time when they become settlers. The citizenship tax is to be levied for the entire year upon those who are entitled to vote during the year for which the tax is levied.

(10) Disputes as to whether a portion of any property or income is taxable shall be decided by the direction of finance with right of appeal to the Government council.

TITLE II.—*Taxation.*

(*a*) PROPERTY-TAX LEVY.

(11) Of the property of individual tax-payers, the following portions will be assessed viz:

	Francs.
Five-tenths on the first	20,000
Six-tenths on the next	30,000
Seven-tenths on the next	50,000
Eight-tenths on the next	100,000
Nine-tenths on the next	200,000
Ten-tenths on all above	200,000

On every thousand of these portions as registered the same tax will be levied. In view of the extent of the township lands, five-tenths of their amount will be assessed.

(*b*) INCOME TAX LEVY.

(12) Of the taxable income of individuals (see sections 5 and 6) the following portions will be assessed, viz:

	Francs.
Two-tenths on the first	1,500
Four-tenths on the next	1,500
Six-tenths on the next	3,000
Eight-tenths on the next	4,000
Ten-tenths on all above	4,000

Every hundred francs of income assessment pays two francs tax for every franc per thousand levied on property assessment.

(*c*) CITIZENSHIP TAX LEVY.

(13) The tax payable by all citizens entitled to vote amounts to one-third of the sum levied per thousand on property assessment.

TITLE III.—*Method of determining taxable property and income.*

(14) The determining of taxable property and income is effected on a basis of self-taxation by the tax-payer.

This is controlled by the taxation of the tax-commission, from which appeal may be made to the taking of an official inventory (see sections 26–30), or to the board of appeal (see sections 31–33).

(*a*) SELF-TAXATION* BY THE TAX-PAYER.

(15) Every tax-payer shall tax his property and income in full, according to their true value.

(16) A new self-taxation by all tax-payers will be ordered throughout the entire canton every three years.

(17) For the intervening two years, self-taxation occurs only in the cases of such tax-payers as are then for the first time subject to taxation, or whose property or income has meanwhile undergone any change. During each of these two years, the town council, before completing the tax-register (section 19), shall, by public notice, summon such tax-payers to report any such change.

(18) For the purpose of self-taxation, every tax-payer residing in the canton receives from the town council a form, upon which, under the several headings, he enters the valuation of his property and income.

(19) The town council shall enter these taxations in a tax-register, which is to be made out in duplicate annually, and shall leave the same open for inspection for fourteen days. Every tax-payer is entitled to make a close inspection of it, and to hand in his observations concerning it, over his own signature, to the tax commission (section 20).

(*b*) TAXATION BY THE TAX COMMISSION.

(20) For every political township there shall be a tax commission. The same shall consist of the following members, viz: (*a*) Four members to be chosen by the political township, and who shall not be eligible for the ensuing term; (*b*) two members to be chosen by the district councils, either from within or without its own body; (*c*) one tax commissioner to be chosen by the Government (cantonal) council, on the nomination of the direction of finance.

Townships may increase the number of members to be named by them to twenty. Those elected then organize themselves into sections of four members each for a proper division of the work.

Those members named by this district council may not belong to the political township, nor the tax commissioner to the district in which they are severally to serve. In cases of hinderance from serving, the Government and district councils will provide substitutes. The proceedings will be conducted by the tax commissioner. The town clerk keeps the records *ex officio*, and has a voice in council. Any active citizen is bound to serve as a member of the tax commission if chosen thereto by the township.

(21) The tax commission shall from time to time during the year in which the revision is made and after the receipt of the completed register from the town council, examine the taxations made, and at the same time afford the tax-payers opportunity to be personally present at the proceedings. When it considers any case of self-taxation as incorrect it makes the necessary alterations therein.

(22) The tax-payer has the right, as he may choose, within fourteen days after the receipt of notice of such alterations, either to appeal to the taking of an official inventory (sections 26–30), or to the board of appeal (sections 31–33). The tax commissioner has the right, within fourteen days, to appeal against the taxation made by the tax commission. Where a tax-payer has called for the taking of an official inventory this appeal is invalid. If, by the expiration of the period stated, no appeal shall have been made, then the taxation by the tax commission is to be considered as acknowledged.

(23) For taxations to be undertaken during the interval (see section 17) the collective tax commission is replaced by a minor commission composed of one member of the district council and two members of the tax commission, selected by him and belonging to the township.

(24) The tax commission has the right of final decision concerning exemption from taxation (section 3, last clause) of persons permanently incapable of labor. During the interval (see section 17) the collective tax commission is replaced by the minor commission for the rendering of such decisions as well.

(25) All members of the tax commission, as well as the clerk of the town council, are paid a daily allowance by the canton, in proportion to their trouble, and to be determined by the cantonal council.

*Assessment is probably meant.

(*c*) OFFICIAL INVENTORIES.

(26) For taking an official inventory there shall be appointed a commission of appraisal, consisting of one member of the town council, one member of the district council (who does not belong to the township), and one member chosen by the tax-payer. All members of the commission of appraisal are paid a daily allowance by the cantons, proportioned to their salaries, and to be fixed by the cantonal council.

(27) An official inventory is taken (*a*) when a tax-payer himself demands it (section 22); (*b*) in accordance with section 9 of the "law pertaining to the taxation of inheritances."

(28) The first inventory is to be made out by the tax-payer. It will then be examined by the commission of appraisal and compared with the circumstances existing as to the property; at all events with such books of interest and business accounts as are accessible. When an inventory is made by the probate authorities, such inventory will be considered as valid for the tax authorities as well.

(29) When no free understanding can be reached concerning the value to be placed upon property or income, the tax-payer, or either one of the official members of the commission of appraisal, has the right to appeal to an expert commission.

(30) This commission, consisting of three members, shall be chosen by the district court, and, after a hearing, has the right of final decision as to the extent and value of the property and income in dispute, as well as the imposition of the costs of appraisal. The amount to be paid to the experts is determined by the district court.

(*d*) BOARD OF APPEAL

(31) Boards of appeal for every two or three districts shall consist of five members each, appointed by the cantonal council. In cases of hinderance from serving, the cantonal council shall provide substitutes. In cases where any member has previously participated in a decision of the tax commission, he has no voice. The finance bureau attends to the duties of the secretaryship. Members are paid a fixed daily allowance by the cantonal council.

(32) A tax-payer is entitled and a tax commissioner is obliged to conduct his case personally before the board of appeal.

(33) A tax-payer may, within fourteen days, appeal from the decision of the board of appeal to the taking of an inventory by the expert commission (section 30).

TITLE IV.—*Collection of taxes.*

(34) Town councils, under instructions from the direction of finance, are charged with the completion of the tax registers, the collection of the taxes, and the delivery of the amounts, free of charge, to the cantonal treasury. For the collection each town council receives one per cent. on the amount it delivers.

(35) Tax-payers residing within the canton pay the collective amount of their taxes at their place of residence; those residing outside the canton pay in the township where the taxable possession lies. Tax-payers under guardianship are taxed in their own township when they have not settled in another township of the canton.

(36) The tax-payer must pay his tax within four weeks after its promulgation. In case subsequently, by reason of appeal to an official inventory or to the board of appeal, the tax is lowered, repayment will be made.

(37) The direction of finance will take care that the work of determining the taxable property and incomes is completed in season to allow the collection of taxes to take place in January of each following year.

TITLE V.—*Consequences of incorrect declarations.*

(38) In case it be shown that a tax-payer has rendered an incomplete declaration of his property, a supplementary tax payment shall be collected. The same amounts to five times the deficiency in payments made to the canton during the two years last previous. Heirs may be held collectively for this supplementary tax. When such a case of incomplete taxation comes to the knowledge of any guardianship or judicial authorities, the latter are required to lodge seasonable and full information with the direction of finance in regard thereto. A supplementary tax payment may be either fully or partially remitted by the direction of finance, when it can be shown that the whole or a part of the surplus has been acquired since the time when the tax-payer in question was last called upon (section 17) to declare his taxes. Likewise, no supplementary tax is to be collected when an official inventory, taken as a lawful right of the tax-payer, shows the property to be larger.

(39) Intentional concealment of parts of property, with a view to withholding them from being officially inventoried, involves, as penalty, the payment of tenfold the tax evaded for the current year. Upon the question as to whether intentional concealment is chargeable to the person whose property is inventoried, a judicial decision may be demanded by the latter. In such case the direction of finance appears as the plaintiff and the district court decides as court of first instance.

AMOUNTS COLLECTED.

As the tax statistics for the year 1886 have not yet been published, it will be necessary, as showing the amounts collected under the provisions of the foregoing law, to take the figures for 1885, which are not materially different. During that year the total taxable capital in the canton amounted to nearly 900,000,000 of francs, and the taxes on property and incomes footed up the gross sum of 3,577,374.24 francs. This, it should be remembered, covered only the cantonal taxation, irrespective of the sums levied by the township. The population of the canton being, as per latest estimate, 329,326, we have a taxation of 10.86 francs ($2.09) per capita in the canton on property and incomes alone; or, if we add on the additional amount—96,678.40 francs—collected as citizenship tax, it raises the average to 11.15 francs ($2.15) per capita.

Taxes collected on citizenship, property, and incomes in canton Zurich during the year 1885

Citizenship:	
Number of citizens	74,368
	Francs.
Amount of tax	96,678.40
Property:	
Taxable capital	874,345,600.00
Amount of tax	2,348,791.84
Incomes:	
Taxable incomes	82,213,900.00
Taxable incomes, after deducting 500 francs exempt	48,025,900.00
Amount of tax	1,228,582.40
Total from property and incomes	*3,577,374.24

The 89,004 persons, citizens and residents, who paid the taxes embraced in the above statement were divided as follows:

Property tax alone	14,398
Income tax alone	33,205
Citizenship tax alone	4,230
Property and income tax	37,171
Total	89,004

As showing the extent to which the right of appeal accorded by the law is made use of, it may be stated that during the year no less than 4,512 appeals were recorded, 3,389 of them to the board of appeal and the remainder to the taking of an official inventory of the property taxed. Perhaps no better method of illustrating the general operations of the law can be found than in looking over the following statement, translated from the cantonal council's report for the year in question, viz:

* Gross amount. (See balance-sheet below.)

Cantonal balance sheet of property and income tax receipts and expenditures of Canton Zurich for the year 1885.

	Francs.	Francs.
Gross receipts from property taxes		2,348,791.84
Gross receipts from income taxes		1,228,582.40
Brought forward from 1884		2,404.20
Total		3,579,778.44
From which are to be deducted—		
Unfinished cases from 1884.		
I. Re-imbursements and annulments:		
By order of direction of finance		228.50
By decision of board of appeal or commission of appraisal		29,760.00
By decision of expert commission		965.40
By reductions in consequence of removals during the year, errors, etc. (inclusive of 12,044 francs involved in litigation from 1884)		50,448.77
II. Incollectible arrears:		
Because taxed in two places		8,709.15
Because of residence being unknown		9,856.65
Through failures or worthless securities		18,515.97
Through impoverishment or disease		4,629.95
Through removal from the canton		10,154.36
Total from unfinished cases of 1884		133,264.75
To balance which there was estimated in the budget of 1884		149,426.60
Leaving to the credit of the budget of 1885 the additional sum of		16,157.85
III. Stated provision for expense of collection in 1884.	32,511.93	
Amount in budget	32,000.00	
Leaving also to the credit of the budget of 1885		511.93
IV. Costs of prosecution		1,935.32
Cases originating in 1885:		
I. Costs of taxation.		
(*a*) Town tax commission	11,525.80	
(*b*) Town clerks for making out tax registries	8,927.10	
(*c*) Tax commissioners	9,330.05	
(*d*) Board of appeal	1,408.60	
(*e*) For official inventories	292.40	
(*f*) For expert commissions	519.31	
(*g*) For formulating appeals	30.00	
(*h*) For printing	3,911.80	
II. Estimated expense of collection	32,000.00	
III. Balance of 200,000 francs in budget for estimated re-imbursements and incollectible arrears	132,054.94	
		200,000.00
Total deductions on business originating in 1885		202,447.25
Deduct excess as above, viz		16,157.85
Leaving a total deduction for expenditures of		186,189.40
Which, deducted from the gross receipts, as above, shows the net receipts to be		3,393,489.04
While the amount estimated was		3,240,000.00
Leaving to be carried forward to 1886 a surplus of		153,489.04

MILITARY TAXES.

[For an account of the Swiss military requirements see, *ante*, Mr. Winchester's report.]

This tax is decreed by the federal government, regulated by the several cantons, and levied and collected by the respective townships un-

der direction of a commission consisting of the district commander, the town clerk, and the chief of section. It consists in a direct personal tax of 6 francs and an additional tax of 1.50 francs on every thousand francs property over 1,000 francs, and of 1.50 francs on every hundred francs income over 600 francs, with a provision that no one man's military tax in a single year shall exceed the sum of 3,000 francs. The law further provides that those who have served for eight years or over and have become unfit for service for the remainder of their term, as well as all those liable between thirty-three and forty-four years of age, shall pay only half taxes. Under extraordinary circumstances the federal government is authorized to double the ordinary tax. Parents are liable for the military taxes of minor sons, as well as for those of sons of full age living with them under the same roof.

The mode of levying and collecting is as follows: The commission above referred to prepares in January of each year lists of the taxable and exempt, by townships, fixes the amount of tax to be paid by each one of the former class, and completes its labors not later than the month of May. Notice is then served upon each tax-payer; fourteen days is allowed for appeal, if desired, to the military direction, and on the 1st of July collection (*i. e.*, payment) begins. On or before November 1 a complete account is rendered by each township to the district commander, who, in turn, pays in the entire sum collected in the canton to the cantonal treasury, which again, in turn, before the end of January in the ensuing year, pays over one-half of the gross amount collected to the federal treasury at Berne, reserving the remainder for cantonal military purposes. For their services in collecting, town officials retain 2 per cent. and the chief of section 3 per cent. of the amount delivered, while the district commander receives 1 per cent. of the amount collected in his district, plus the fraction of 1 per cent. of the total military tax-yield of the canton, proportioned to the number of districts therein (*i. e.*, if there are six districts, then one-sixth of 1 per cent.), plus 100 to 150 francs, according to the extent of services rendered.

The gross amount collected for military taxes in the canton of Zurich in 1885 was 399,358.10 francs, of which the half, viz, 199,679.05 francs, was, as provided by law, turned over to the federal treasury. The net sum remaining to the canton after payment of costs of collections and other expenses was 160,934.68 francs.

TAXES ON INHERITANCE.

A tax is also imposed by the canton on any inheritance or bequest exceeding 1,000 francs, with the exception of such as are inherited by or bequeathed to children in the direct line of descent, parents, husband, or wife, or are legateed for public uses or to the public property of the canton. It is levied on a basis of 2 per cent. on legacies to adopted children, betrothed persons, or brothers or sisters; to remoter degrees of parental descendants, 6 per cent.; to grandparents, 8 per cent.; and to all others, 10 per cent. In addition to and upon these several percentages there is a further tax of one-tenth when the amount is 10,000 francs and upward, two-tenths on 20,000, three-tenths on 30,000, four-tenths on 40,000, and five-tenths on 50,000. The heirs to any inheritance can be collectively held for the payment of the tax thereon. The taxation is in all cases based upon the official inventory made by the commission of appraisal (see section 26 of cantonal tax law, above), and is ordered by the direction of finance, the heirs having right of

appeal to the proper tribunal. Collection is made as in the case of other taxes, through the respective townships, the latter retaining as compensation 1 per cent. of the amount paid over.

During 1885 the net yield of 233 inheritances taxed amounted to 325,235.80 francs, upon an aggregate of 6,637,635 francs succession. The heaviest tax amounted to 64,068 francs, the lowest to 22 francs.

BUILDING-INSURANCE TAXES.

Every owner of a building (unless it be a powder-mill or magazine, or a small structure standing alone and under 200 francs in value) is taxed one-tenth of 1 per cent. per annum by the canton for insurance against fire, lightning, explosion, or damage by water in extinguishing a conflagration. This insurance is compulsory, is conducted under the restrictions and regulations usually pertaining to fire insurance, and precludes any other insurance on the property. The collection of this tax is, as in other cases, intrusted by the canton to the several townships, which retain a small percentage (4 centimes per 1,000 francs) for expenses of collection. For systematizing the operation of the law the canton is subdivided into six appraisement districts, in each of which a commission consisting of three members is appointed by the cantonal council for a three years' term. This commission has for its duty the appraisal of the values at which all the buildings in the district are to be insured. The control of the entire system is vested in the direction of police for the canton.

These are the general features of the law. It is thoroughly communal in character, and salutary in its operation. In 1855 the number of buildings thus insured by the canton was 68,040, with an insured value of 704,238,070 francs, upon which a tax of 704,238.21 francs was collected. Of this sum damages were paid out, in 78 cases of fire, etc., to the amount of 437,354 francs, or 62.1 per cent. of the tax collected.

DOG TAXES.

The owner of a single dog pays a yearly tax of 12 francs thereon; if he owns more than one he pays 18 francs a year on each additional dog. Of this amount one-half franc goes to the collector, 4 francs to the township, and the remainder to the canton. The tax is payable in March of each year, and, upon payment, a dog-tag is given the owner at an additional charge of one-half franc when the dog has been previously registered, and of 1 franc where the dog is registered for the first time. Dogs are to be first registered when six months old, and failure to comply with this requirement not only subjects the owner to double taxation, but to an additional fine, varying from 1 to 5 francs.

There was collected in this canton during 1885 on 7,842 dogs the sum of 91,244 francs, taxes, of which 3,921 francs went to the collectors, 30,414.65 francs to the various townships where collected, and 56,908.35 francs to the canton.

PUBLIC-HOUSE LICENSES.

The canton collected in 1885, on 2,719 licenses for keeping hotels, restaurants, drinking saloons, etc., the net sum of 315,727.76 francs. The statistics show an average of one public house (wirthschaft) to every 116 inhabitants.

MISCELLANEOUS.

In addition to those indirect taxes already specified, there are others on stamped paper, trade registries, money brokerage, bank-notes, industrial licenses, peddling and junk dealing, etc., the amounts collected from each of which will be found set forth in the following:

Table showing aggregate of cantonal receipts from both direct and indirect taxes during 1885.

Tax.	Amount.	Tax.	Amount.
	Francs.		*Francs.*
Property and income	6,393,489.04	Trade registry	986.01
Supplementary income	81,062.04	Money brokers	14,878.00
Citizenship	88,595.70	Bank notes	104,975.00
Inheritance	325,265.80	Industrial license	1,800.00
Military	160,934.68	Junk dealers and peddlers	53,769.00
Fire-insurance	704,238.21	Common law	3,900.00
Public-house	315,727.76		
Dog	56,908.35	Total	5,342,332.15
Stamped paper	28,832.56		

II.—TOWN TAXATION.

The township, or city, of Zurich levies a direct tax on property, on households, and on men who have passed their twentieth year. Estimates for the ensuing year's expenditures having been made up by the town authorities, and the rate of taxation necessary to meet them having been determined, the same is promulgated, in the form of a notice, as follows:

NOTICE.

City of Zurich—Town tax levy, 1887.

In accordance with township resolution of January 16, 1887, a town tax of 6 francs per thousand on property, household, and man is levied; that is to say—

	Francs.
For town affairs	4.60
For school affairs	1.40

Half of said tax will be collected on the following days (though all of it may be then paid if desired), viz, Saturday, May 7, and Monday to Saturday, May 9 to 14, from 8 to 11 a. m. and 2 to 5 p. m., in Music Hall, opposite the Kaufhaus.

Their lists will at once be sent to the tax-payers.

The tax register lies open to any tax-payer's inspection and protest, at the tax bureau, for eight days from receipt of tax-list.

PRESIDENT OF TAX COMMISSION.

ZURICH, *April* 27, 1887.

The annual net yield collected by the town under this call may be estimated at a million and a half of francs. In 1885, the latest year for which statistics are at present available, the receipts were as follows, viz:

Town taxes collected by the township (city) of Zurich during the year 1885.

Taxable property in 1,000 francs	number..	216,215
Households	do....	5,200
Men	do....	6,800
Amount collected	francs..	1,442,999
Per cent		6
Distribution:		
For town purposes	francs..	*1,114,842
For school purposes	do....	328,157

*Exclusive of 36,613 francs for church purposes=1,078,229.20 francs net.

Classification of tax-payers in above statement.

	Number.
(1) As to property (francs):	
No property	6,334
1,000 and less	378
1,001 to 5,000	1,186
5,001 to 10,000	607
10,001 to 15,000	329
15,001 to 20,000	256
20,001 to 30,000	323
30,001 to 40,000	202
40,001 to 50,000	153
50,001 to 100,000	391
100,001 to 200,000	235
200,001 to 300,000	97
300,001 to 400,000	29
400,001 to 500,000	16
500,001 to 1,000,000	48
Over 1,000,000	25
(2) As to incomes (francs):	
No income	2,943
600 to 1,000	3,163
(2) As to incomes (francs)—Cont'd.	
1,001 to 1,500	1,598
1,501 to 2,000	896
2,001 to 3,000	932
3,001 to 3,500	173
3,501 to 4,000	259
4,001 to 4,500	56
4,501 to 5,000	206
5,001 to 6,000	121
6,001 to 7,000	51
7,001 to 8,000	57
8,001 to 9,000	9
9,001 to 10,000	55
10,001 to 15,000	46
15,001 to 20,000	23
20,001 to 30,000	14
30,001 to 40,000	3
40,001 to 50,000	2
Over 50,000	1

TOWNSHIP TAX LAW.

The town regulations of Zurich pertaining to the levy and collection of direct taxes, while harmonizing in their general tenor with the cantonal law already given, yet contain various distinctive features and details which justify their incorporation in this portion of the report, viz:

[Extract from Zurich town laws of June 27, 1875.]

* * * * * * *

(129) When expenditures exceed receipts, the deficit is to be covered by a town tax. Any surplus, so far as not applicable to the principal fund, is to be applied to covering deficits.

(130) An estimate of probable receipts and expenditures for the ensuing fiscal year, approved by the board of audit, shall be annually submitted by the proper authorities to the town for approval. If this estimate shows a deficit it shall be accompanied by a proposal as to the means for covering the same, specially stating whether, in what manner, and at what time a tax shall be levied. Upon this proposal the town shall at once pass decision.

(131) In case of extraordinary town expenditures, *i. e.*, for new buildings, etc., and to meet which a greater demand than usual has to be made upon the capacity of tax-payers, the burdens shall be made as light as possible by distributing the tax over a proper number of years. In such cases the town is obliged to decide not later than the making up of the final yearly account upon the proposition of its authorities concerning the method for covering the deficit.

When a town has contracted indebtedness for carrying into operation any productive enterprise, the interest on which amounts to more than the yield thereof, then, so far as the provisions of section 108 are not applicable, either at least the difference between the interest on the loans and the yield of the enterprise, or an amount of capital equivalent to the deficiency, shall be raised by taxation.

(132) Town taxes shall be levied on property, household, and man, on the basis of so many francs per thousand on property, so many francs for every household, and so many francs for every man who has passed his twentieth year.

(133) Nobody is compelled to pay a tax specially imposed for the individual support of any religious society to which he does not belong. (Article 49, section 6, Swiss Federal Constitution).

(134) The construction and maintenance of streets, ways, bridges, weirs, dams, water-pipes, etc., are chargeable to the common account of the township politic.

(135) In the quartering of troops care is to be taken that men and horses are assigned for lodging and victualing only to such residents as possess, or are in position to furnish the required quarters and accommodations. On this supposition troops may either be assigned directly to such residents as are bound to quarter them, or may at the latter's expense be, in whole or in part, assigned to inns, other private

dwellings, or quarters to be specially erected for such purpose. The township is allowed to offset the burden imposed upon itself or upon individual citizens by the quartering of the troops and the victualing of the same in accordance with legal provisions relative to the levy of town taxes.

(136) Toward the expenditures for the care of paupers of the township, all citizens of the same residing in the canton, either within or without the limits of the home township, are required to contribute by taxation.

(137) For all other town charges the following persons are taxable, viz: (*a*) All citizens residing within the township, or sojourning longer than three months in other townships of the canton (and not liable to taxation at the place of their sojourn), and settlers. From the taxable property is to be deducted that portion which under the provisions of letter (*b*) is subjected to taxation in other townships. (*b*) Owners of land within the township limits who reside outside of the township, in so far as such land has a value of at least 1,000 francs. If mortgages exist upon such real estate, their amount, in levying taxation, is only to be deducted in so far as they are not offset by movable property taxed elsewhere, or in so far as the property taxed elsewhere consists in real estate, if it be proven that the latter is equally burdened with the former. (*c*) An owner or partner in any industry carried on in the township but resident outside of the township, for a pro rata portion of its property. (*d*) Corporations, stock companies, and endowments domiciled within the township, for that property upon which they, as such, are taxable by the canton. (*e*) Stock companies, for the full value of their landed property lying within the township.

(138) Pupils in public and private educational institutions, apprentices, and workmen who are under guardianship existing elsewhere than at their place of sojourn or whose property is administered elsewhere, likewise persons who are brought to any institution for health or attendance, are exempt from property taxation at their place of sojourn.

(139) Lands for public revenues, as well as those portions of the township lands the yield of which is applied to the revenues, are taxable for all township expenditures.

(140) The canton pays proportional damages to townships the roads of which (of Classes II and III) have been materially injured by reason of hauling of wood from the cantonal forests or the carrying on of the cantonal mines.

(141) Citizens of townships which are subdivided into several church or school districts are only taxable in the church or school district in which they reside.

(142) Town taxes are to be paid in full by all citizens and sojourners who reside in the township during the year for which the taxes are collected. Liability to pay a property tax begins with the time when a person comes into possession of a taxable property.

Tax-payers moving into the township during the second half of the year and those moving out during the first half of the year, as well as all those in general remaining less than half of the year, are required to pay only one-half of the township tax decreed for the year in question. If tax-payers from another canton or from abroad move into the township during the second half year they are exempt from payment of half the township tax in so far as they can show that they have already paid taxes of a similar nature for the entire year at their former place of residence.

(143) For every tax to be levied a new announcement shall be prepared and approved by the proper town authorities. This provision is also valid in cases where an extraordinary expenditure is to be met by levying several tax rates (section 131). From the day on which the tax notice is approved the liability of individual tax-payers begins.

(144) A special written summons is to be served upon every tax-payer, with an allowance of time for protest, during which the tax notice is to be open to the tax-payer's inspection.

(145) The cantonal tax registers serve as a basis for levying township taxes; nevertheless attention is to be given to such rectifications of accounts in the former as may have subsequently come officially to the knowledge of the authorities. No township tax is to be paid upon the property of orphans or of persons incapable of labor, which is exempt from cantonal taxation.

Whoever moves into a township during a current tax year, and is not yet registered on the cantonal tax registry books, shall pay taxes to the said township on the basis of a rate to be determined by the town council, in proportion to his circumstances. If such preliminary rate is lowered on the next cantonal tax registry, re-imbursement will be made.

(146) Agreements in regard to exceptional taxation of individual tax-payers are inadmissible.

(147) In cases of incomplete taxation, supplementary payments shall be made in the same manner as for cantonal taxes.

* * * * * * *

A TOWNSHIP BALANCE-SHEET.

As in the case of cantonal, so also in regard to town taxation methods, a clearer idea may be gained at a glance by giving entire the balance-sheet of receipts and expenditures for any given year. The following is the balance-sheet of the township or city of Zurich for the year 1885:

RECEIPTS.

I.—*Direct taxes.*

	Francs.	Francs.
Property (6 per cent. on total assessment of 240,534.30 francs)		1,443,205.80
Households		34,113.00
Men		44,634.00
Supplementary payments		37,193.45
		1,559,146.25
From which deduct as follows, viz:		
Canceled	87,229.05	
Repaid	26,214.30	
Uncollected	39,317.00	
		152,760.35
Leaving available the net amount of		1,406,385.90
From which deduct the proportion (1.4 on 6 per cent.) collected for school purposes, viz		327,156.70
Leaving for township purposes, as net yield of direct taxes		1,078,229.20

II.—*Indirect taxes.*

From office fees, etc.:	
General town management	7,423.65
Guardianship affairs	6,377.10
Finance bureau	28,516.33
Tax bureau	15,717.81
Police bureau	15,503.00
Fairs and markets	23,361.41
Public scales	2,426.58
Slaughter-houses	12,995.00
Public baths	16,246.90
Hacks and other vehicles	1,838.00
Commissionaires	775.00
Storage	4,797.95
Miscellaneous	9,470.40
Fire police	2,306.50
Police penalties	7,669.05
Dogs	3,085.60
Fees and charges:	
Building department	11,555.97
Judiciary department	4,107.65
Total net yield of indirect taxes	174,173.90

III.—*Various sources.*

Income from:	
Immovable property	133,164.65
Capital	146,768.47
Interest on loans	803,693.60
Property, capital, interest, etc	6,401.20
Total from various sources	1,090,027.92
Total receipts	2,342,431.02

EXPENDITURES.

	Francs.
Interest and cancellation	1,458,785.20
Expenses of government	886,667.65
Total expenditures	2,345,452.85
Excess of expenditures over receipts	3,021.83

III.—DEDUCTIONS.

Having thus sketched in detail the various features of cantonal and township taxation, both direct and indirect, I now proceed to show the working of the system as applied to various individual tax-payers, of various ages, classes, and circumstances. Under a progressive tax system where no two pay alike it were idle to go into any extended calculation showing the general average tax per capita of population, as that would prove nothing. On a previous page of this report it is true the average per capita tax on property and income has been briefly mentioned, but any general calculation arrived at by dividing the aggregate of taxes from all sources by the total of population would lead to no satisfactory understanding of the principal subject of inquiry, viz, where the burden of taxation under the progressive system really falls. In order, therefore, to furnish a thorough insight into the workings of the system, I deem it better to select a few supposable cases of individual tax-payers taken from different classes of the citizens, and then set forth in detail what, under existing laws, each is required to contribute, as follows:

Illustration 1.—Mr. A. B., day-laborer, aged thirty-one, married, three children, no property, earns, when employed, 3.50 francs per day.

I.—CANTONAL.

		Francs.	Francs.
(*a*) No property tax.			
(*b*) Income tax: Estimating that he works 290 days in the year, his income at 3.50 francs per day is	980 francs		
From which deduct amount exempt	500 francs		
Leaving him a taxable income of	480 francs		
On two-tenths of which he is taxed, *i. e.*, on 96 francs, at 8 per cent., making his income tax		7.68	
(*c*) Citizenship tax: One-third of 4 francs (see section 13, cantonal law)		1.33	
Total cantonal taxes			9.01

II.—TOWNSHIP.

(*a*) No property tax.		
(*b*) One household tax	6.00	
(*c*) One man tax	6.00	
Total township taxes		12.00

III.—MILITARY.

Being fit for military service, Mr. A. B. pays no military tax, but is liable to go into barracks for drill for sixteen days in every two years.

His total taxation therefore is	21.01

or 2.1 per cent of his gross income, 980 francs.

Illustration 2.—Mr. C. D., clerk, age twenty-seven, married, one child; keeps house; owns 5,000 francs property; salary 2,500 francs per annum; keeps a dog.

I.—CANTONAL.

	Francs.	Francs.
(*a*) Property tax: He is taxed on five-tenths of 5,000 francs, *i. e.*, on 2,500 francs (see section 11, cantonal law), at the rate of 4 francs per thousand	10.00	
(*b*) Income tax: He is taxed on 2,500 francs salary, less 500 francs exempt, *i. e.*, on 2,000 francs, as follows:		
Two-tenths on the first 1,500 francs, *i. e.* 300 francs		
Four-tenths on the remaining 500 francs, *i. e.* 200 francs		
Thus making his taxable income 500 francs		
At 8 per cent	40.00	
(*c*) Citizenship tax	1.33	
(*d*) Dog tax	12.00	
Total cantonal taxes		63.33

II.—TOWNSHIP.

(*a*) Property tax: Six francs per thousand on 2,500 francs taxable property (calculated as above)	15.00	
(*b*) One household tax	6.00	
(*c*) One man tax	6.00	
Total township taxes		27.00

III.—MILITARY.

Being, we will suppose, very near-sighted, Mr. C. D. can not serve in the army, and is consequently called on to pay his commutation tax, as follows:		
A direct personal tax of	6.00	
A tax of 1.50 francs per thousand on his property of 5,000 francs	7.50	
A tax of 1.50 francs on every 100 francs of his income in excess of 600 francs, *i. e.*, on 1,900 francs	28.50	
Total military tax		42.00
His total taxation (5.29 per cent. of his gross income, 2,500 francs) therefore is		132.33

Illustration 3.—Mr. E. F., silk manufacturer; age forty-two, married, has family of children; owns mill plant worth 80,000 francs, dwelling worth 75,000 francs, and other property in stocks and money amounting to 60,000 francs. Total property, 215,000 francs. Net profit from silk mill, 30,000 francs per annum.

I.—CANTONAL.

	Francs.	Francs.	
(*a*) Property tax: He is taxed on—			
Five-tenths of his first	20,000	*i. e.*, on 10,000	
Six-tenths of his next	30,000	18,000	
Seven-tenths of his next	50,000	35,000	
Eight-tenths of his next	100,000	80,000	
Nine-tenths of his next	15,000	13,500	
Thus making the taxable amount of his	215,000	156,000	
Which, at 4 francs per thousand, makes his property tax			626,00

(*b*) Income tax: His annual income from his factory being, as stated, 30,000 francs, he is allowed, in declaring his taxation (see sec. 7 cantonal tax law) to deduct therefrom 5 per cent. of his working capital (80,000 francs + 60,000 francs =) 140,000 francs, *i. e.*, 7,000 francs. He is also allowed to deduct 500 francs exempt by law.

	Francs.	Francs.	
Consequently his taxable income is		30,000	
Less 7,000 + 500		7,500	
Leaving gross taxable income of		22,500	
On which he is taxed as follows, viz:			
Two-tenths on the first	1,500 *i. e.*, on	300	
Four-tenths on the next	1,500	600	
Six-tenths on the next	3,000	1,800	
Eight-tenths on the next	4,000	3,200	
Two-tenths on the remaining	12,500	12,500	
Making his net taxable income		18,400	
At 8 per cent			1,472.00
(*c*) Citizenship tax			1.33
(*d*) Building-insurance tax:			
	Francs.		
We will suppose his silk-factory building to be worth	40,000		
And his dwelling is worth	75,000		
Then on his two buildings, worth	115,000		
He pays an insurance tax of one-tenth of 1 per cent. per annum, which is equal to			115.00
Total cantonal taxes			2,214.33

II.—TOWNSHIP.

(*a*) Property tax! Six francs per thousand on 156,500 francs taxable property (calculated as above)	939.00	
(*b*) One household tax	6.00	
(*c*) One man tax	6.00	
Total township taxes		951.00

III.—MILITARY.

Being between thirty-three and forty-four years of age, Mr. E. F. pays only one-half military commutation tax, viz:		
A direct personal tax of	3.00	
A tax of 0.75 francs per thousand on his property of 215,000 francs, making	161.25	
A tax of 0.75 francs on every hundred francs of his income in excess of 600 francs, *i. e.* on 22,500 less 600 = 21,900 francs, making	164.25	
Total military tax		328.50
His total taxation, therefore, is		3,493.83

	Francs.
Now, his profit from his mill and his 60,000 francs working capital is	30,000
The rent on his 75,000 francs dwelling is, say	3,000
Showing his gross income to be	33,000

And his aggregate taxation is 1.05 per cent. thereon.

Illustration 4.—Mr. G. H., capitalist; age, sixty; married; keeps house; owns row of dwellings worth 1,500,000 francs; money on bond and mortgage, 1,450,000 francs; stocks and other securities, 500,000 francs; cash and miscellaneous, 50,000 francs. Total property, 3,500,000 francs. No other income than that derived from above property. Keeps two hunting dogs.

I.—CANTONAL.

	Francs.	Francs.		
(*a*) Property tax: He is taxed on five-tenths of his first	20,000 *i. e.*, on	10,000		
Six-tenths of his next	30,000	18,000		
Seven-tenths of his next	50,000	35,000		
Eight-tenths of his next	100,000	80,000		
Nine-tenths of his next	200,000	180,000		
Ten-tenths of his surplus	3,100,000	3,100,000		
Thus making the amount assessed on his	3,500,000	3,423,000		
Which, at 4 francs per thousand, makes his property tax			13,692.00	
(*b*) Income tax: He has no other income than the yield of the capital above taxed as property.				
(*c*) Citizenship tax			1.33	
(*d*) Building-insurance tax, viz: One-tenth of 1 per cent. on his row of dwellings, *i. e.*, on 1,500,000 francs, making			1,500.00	
(*e*) Dog tax: First dog, 12 francs; second dog, 18 francs			30.00	
Total cantonal taxes				15,223.33

II.—TOWNSHIP.

(*a*) Property tax: 6 francs per thousand on 3,423,000 taxable property (calculated as above)	20,538.00	
(*b*) One household tax	6.00	
(*c*) One man tax	6.00	
Total township taxes		20,550.00

III.—MILITARY.

Being over the military age, Mr. E. H. is liable neither for service nor for commutation tax.

Hence his total taxation is 35,773.33

Now, calculating that the average annual yield of his 3,500,000 francs capital is 4 per cent., *i. e.* 140,000 francs, he pays taxes to the amount of 25.5 per cent. of that yield.

It will thus be seen from the illustrations adduced that under this graduated system of taxation an average laborer is taxed 2.1 per cent., an average mercantile employé 5.29 per cent., an average well-to-do manufacturer 10.5 per cent., and an average wealthy capitalist 25.5 per cent. on the annual yield of his labor, his labor and capital combined, or his capital, as the case may be. In other words, the capitalist with his millions is taxed at a rate twelve and a half times higher than the workingman with no property, who in the struggle for existence can lay by nothing and must necessarily live from hand to mouth. While it can not be said that the law actually hinders the acquisition of great fortunes or the diversion of wealth into the hands of the few, it yet forcibly inculcates the lesson that most are apt to forget, viz, that an increase in wealth brings with it increased duties and responsibilities toward the Government which protects the individual in the possession of that wealth. The system, in short, speaks for itself, and offers to the statesman, the legislator, and the political economist abundant material for instructive study and thought.

GEORGE L. CATLIN,
Consul.

UNITED STATES CONSULATE,
Zurich, May 23, 1887.

ENGLAND.

TAXATION IN LONDON.

BY THOMAS M. WALLER, CONSUL-GENERAL, LONDON.

Several of my colleagues in Great Britain have already complied with the instructions of the circular of the State Department of March 21, 1887, in regard to taxation. In perusing their interesting reports as they pass through this office it was not surprising to find that the same lengthy tables of national expenditure and national revenue, excise, custom-house, and stamp duties appeared in nearly all of them. These repetitions were almost inevitable, for information relating to these topics is almost exclusively contained in governmental blue books or in digests made of them for popular use, and as no consul could assume that some one else would attend to this branch of the subject, nearly all of them have given on national taxation substantially the same facts and figures derived from the same authentic sources.

In view of this fact, this report will be devoted to local taxation and especially in the city and metropolitan district of London. Before, however, attention is given to this division, three illustrations will be submitted of the incidence of national and local taxation.

The first is an actual transcript from the private accounts of a manufacturer, and includes all taxes paid by him except those indirectly chargeable upon him from his consumption of excisable or customable articles. The tax for dock and harbor rates exists because his business is in a maritime city, where the docks—owned by the municipality—do not pay expenses. The poor rate in respect of his business property differs from that imposed upon his residence simply because the two are in different parishes, and the total ratable value of property in one is greater in proportion to the number of paupers than in the other, hence the charge upon individual owners is less. His taxes in respect of his business amounted to 6 per cent. of his net income and in respect of his house to $1\frac{1}{10}$ per cent. His national taxes amounted to 4 per cent. and his local taxes to a little over 3 per cent. of his net income.

Statement showing the taxes paid by a manufacturer in an English provincial city in respect of his income, business premises, and residence.

[Capital, £40,000 ($194,660). Net annual income, £3,200 ($15,500).]

Income tax at 8*d.* in the £1 (3⅓ per cent.) on $15,500	$516.00
Tax on business premises, which are assessed as having an annual value of £280 ($1,362), for the following purposes: Poor rate, at 1*s.* 6½*d.* in the £1 (about 7½ per cent.); harbor rate, at 1*s.* in the £1 (about 5 per cent.); dock and borough rate, at 2*d.* in the £1 (about $\frac{8}{10}$ of 1 per cent.); total, 2*s.* 8½*d.* in the £1 (about 13 per cent.)	184.58
Sanitary rate, for street cleaning, lighting, sewering, etc., at 2*s.* 10*d.* in the £1 (about 14 per cent.)	191.00
Property tax on business premises	50.60
Land tax	47.45
Total	989.63
Tax on private residence, the annual value of which is £125 ($605), but which is assessed at £106 ($516), for the poor and sanitary rates:	
Property tax, at 8*d.* in the £1 on £125	20.25
Inhabited house duty, at 9*d.* in the £1 on £125	22.80

Statement showing the taxes paid by a manufacturer, etc.—Continued.

Tax on private residence, etc.—Continued.	
Land tax	$0.60
Poor rate, at 2*s.* 4*d.* in the £1 (11$\frac{1}{9}$ per cent.) on £106	60.09
Sanitary rate, at 3*s.* in the £1 (15 per cent.) on £106	77.38
Total	181.12
Total paid in respect of business, income, and residence	1,170.75

The second shows the taxes paid upon a farm in Somersetshire, 217 acres in extent and renting for $1,425 per annum:

Income tax of farmer	$10.37
Inhabited house duty	3.65
Poor, highway, county, and sanitary rates, at 2*s.* 1*d.* in the £1	131.08
Total	148.10

or 10.2 per cent.

The above-mentioned farm is held upon a fourteen-years' lease, dating from 1879, at which time the rental was agreed upon at $1,650 per annum; but the landlord, owing to agricultural depression, has been compelled to reduce the amount. Besides the taxes above set out which are paid by the tenant, the landlord pays an income tax upon the rental amounting to $48.50. This tax is levied under schedule A of the income tax bill, which provides for a tax upon land in respect of the property thereof; the tenant farmer pays under schedule B, which provides for a tax upon land in respect of the income therefrom. Under this schedule the net income of the farmer is assumed to be seven-eighths of half the rental he pays.

The third is that of a merchant in London residing in a suburban town.

The merchant makes out of his business, after paying his rent and working expenses, $5,000. Out of this he pays:

Local taxes on store and warehouse, rated for taxation at $1,000 a year	$238.25
Income tax on business, less taxes aforesaid	134.98
Local taxes on dwelling-house, rated at $500 a year	119.21
Inhabited house duty 9*d.* in the £1 on £120	21.89
Total	514.24

It is not practicable to ascertain with exactness the amount of indirect taxation, *i. e.*, stamp, excise, and customs taxation, paid in any of the foregoing cases. This would largely depend upon personal habits, but it may be safely stated that each of the persons would pay in this way from $50 to $100 per year.

The tax paid by the professional man, the man without business, and the poor man or laborer is easily deducible from the foregoing instances. The same rate of taxation upon income, upon inhabited houses, and upon property is paid by each. The exemption, however, of incomes under £150 ($750) would relieve the laborer, and the exemption of £120 ($600) on incomes not over £400 ($2,000) might operate in favor of one or both of the others. The further exemption of inhabited houses of the annual value of less than $100, is intended to save and does save the working-man from this tax altogether.

The annual license duties paid by lawyers, publicans, auctioneers, and others, all of which are Imperial, must of course be considered in calculating the amount paid by such citizens in support of the Government.

LOCAL TAXATION IN ENGLAND.

There have been issued during the last five or six years a number of valuable publications on local government and taxation in England. Prominent among these publications are one series of essays of which J. B. Probyn is the editor and another series of which D. Chalmers, M. A., is the author. As these works are esteemed as authorities their statements are relied upon, and the books themselves are commended to those who desire fuller information than the restrictions of this report will allow. The present system of local government and taxation in England is thus characterized by J. Roland Phillips in a paper published under the sanction of the Cobden Club:

> England is looked upon as the cradle and the home of local self-government, and while we are too ready to make a boast of this, the fact remains that our system of local government is anything but perfect and scarcely better than a muddle from beginning to end. Chaos alone describes the present condition of local affairs. Complications exist where there should be uniformity. Districts overlap and interlace one another without order or reason. The burdens are imposed by diverse authorities, the duty of collecting is intrusted to a multitude of officials, while the administration of affairs and the expenditure of the money is entirely beyond the control of the authority which imposes the burden. The result of this confusion is that persons are unequally taxed, and that the rate-payer, puzzled by the multitude of taxes imposed upon him by so many authorities, is practically helpless and incapable of taking an intelligent interest and exercising his due influence in the administration of the funds to which he has to contribute. Again, unfair distinctions are made between different classes of property; while one class of property is unduly taxed another escapes with total immunity. Owners of property also frequently escape liability in cases where it would only be equitable to make them contribute, and on the other hand occupiers are often burdened with rates which are extended mainly if not solely, as is often the case, to benefit the owner. These are some of the more glaring defects of our system of local government; or, to speak more correctly, they are defects which arise from the absence of a regular and comprehensive system. Our local self-government is not altogether unlike old country mansions which are here and there to be met with, where successive owners have added to and altered the original structure without regard to symmetry or style, each studying his own immediate requirements and endeavoring to do that in the least inconvenient manner. So it is with local affairs; as new wants have to be met fresh burdens have been imposed, and this has been done too frequently after hap-hazard fashion, and in a manner inconsistent with simplicity or economy of administration.

Mr. Chalmers says:

> English local government can only be called a system on the *lucus a non lucendo* principle. There is neither co-ordination nor subordination among the numerous authorities which regulate our local affairs. Local government may be fitly described as a chaos of areas, a chaos of authorities, and a chaos of tax rates.

"There is no labyrinth so intricate" says Mr. Goschen, the present chancellor of the exchequer "as the chaos of our local laws." The briefest review on the confusing data collected in the preparation of this report would convince the most patriotic Englishman that no expression about local government and taxation in this country has been quoted that is not justified by existing facts.

There were in England and Wales in 1881 27,069 local authorities with power to expend public money and make local rates, and it does not appear that this number has since been decreased. Indeed, in some places there are at present from twenty-five to thirty-five distinct local authorities, and taxation is imposed on the same property in from fifteen to eighteen different kinds of local rates. An attempt at describing in detail these various authorities, their names, functions, and extent of jurisdiction—a matter more curious than useful—would only be a repetition of what has already been well done by other consuls. In

Ireland and Scotland there are better methods of valuation of property for the purposes of taxation than in England. The same property here may have several different valuations upon which different rates are assessed. In Ireland and Scotland there is but one valuation for all purposes.

The aggregate amount of local taxation in England and Wales in 1880 was $155,215,500, and this was levied as follows: Rates on ratable property, $129,634,715; tolls, dues, and rents on traffic, $23,391,055; duties on consumable articles by city of London corporations, $2,189,730; total, $155,215,500; and the portions of this sum collected on different rates were:

Rate.	Amount.	Rate.	Amount.
Poor rate	$38,043,450	Vaccination expenses (poor rate)	$434,395
Country and rural police rate	8,339,055	Registration of births, deaths, and marriages	464,405
Borough and town police rate	6,212,590	Lighting and watching rates	180,950
Metropolitan police rate	2,688,240	Sewers rate	264,660
City of London police rate	309,685	Drainage and embankment rate	1,028,140
City of London tolls, dues, and rents	1,482,150	Burial board rates and fees	1,338,650
Borough tolls, dues, and rents	2,536,270	Church rates	57,535
Highway rates	8,944,140	Turnpike tolls	1,473,500
Metropolitan local management rates	8,983,305	Bridge and ferry tolls	309,245
Metropolitan consolidated rates	2,772,240	Market and fair tolls	130,110
Metropolitan board of works (fees, etc.)	378,350	City of London improvements	8,555
City of London ward rates	26,085	Light dues	1,933,635
Urban sanitary rates	43,367,750	Pilot dues	1,771,980
Rural sanitary rates	999,695	Harbor dues	9,174,455
Port sanitary rates	11,625	Duties levied by city of London	2,189,730
School board rates and fees	9,100,170		
School attendance committee	311,380	Total	155,215,500

The rapid increase of the expense of local government and of local indebtedness is engaging the earnest and anxious attention of English economists. The tendency to reckless municipal extravagance, especially in towns and cities, is apparently as strong on this as on the other side of the ocean.

In England and Wales the local indebtedness was in—

1873	$400,000,000	1877	$531,511,925
1874	427,500,000	1878	573,415,010
1875	464,100,000	1879	642,434,935
1876	498,271,090	1880	685,483,035

Local Taxation in London.

The city of London proper, with its ancient and hospitable corporation, with its large revenue from estates, tolls, and special privileges, is after all a very small municipality. It covers scarcely 700 acres of ground, and has at present a resident population of less than 52,000 people. The metropolitan district, or Greater London, as sometimes it is called, extends into four counties, embracing 120 square miles, with a population of 3,832,441, occupying 488,995 houses of the ratable value for taxation of $137,700,145. The division of the population between the city and the vestries and districts of the metropolis is shown in the following table taken from the last authorized census:

The population, inhabited houses, and ratable value of London within the metropolis local management act, 1855.

	Population.	Inhabited houses.	Rateable annual value.
City of London	50, 276	6, 418	$17, 504, 840
VESTRIES.			
Marylebone	155, 004	16, 021	6, 919, 935
Pancras	236, 209	24, 655	7, 457, 305
Lambeth	253, 569	35, 082	6, 424, 310
St. George's, Hanover Square	89, 517	11, 593	8, 396, 495
Islington	282, 628	34, 048	7, 226, 130
Shoreditch	126, 565	15, 243	2, 863, 910
Paddington	107, 098	13, 187	5, 949, 320
Bethnal Green	127, 006	16, 663	1, 789, 270
Newington	107, 831	14, 009	1, 990, 125
Camberwell	186, 555	27, 306	4, 017, 065
St. James's, Westminster	29, 865	3, 018	3, 334, 065
Clerkenwell	69, 019	7, 129	1, 633, 545
Chelsea	88, 101	11, 380	2, 326, 765
Kensington	162, 924	20, 103	8, 240, 935
St. Luke's, Middlesex	46, 847	4, 813	1, 391, 565
St. George, the martyr, Southwark	58, 652	6, 766	1, 185, 210
Bermondsey	86, 602	11, 024	1, 886, 500
St. George's in the East	47, 011	5, 815	996, 185
St. Martins'-in-the-Fields	17, 447	1, 745	1, 913, 605
Mile End Old Town	105, 573	14, 047	1, 676, 720
Woolwich	36, 600	4, 851	584, 900
Rotherhithe	36, 010	4, 845	966 085
Hampstead	45, 436	5, 869	2, 086, 415
DISTRICT BOARDS.			
Whitechapel	71, 301	7, 594	1, 849, 120
Westminster	59, 887	6, 196	2, 996, 185
Greenwich	131, 264	19, 785	3, 086, 260
Wandsworth	210, 397	30, 7[illegible]4	5, 916, 390
Hackney	186, 400	27, 503	4, 711, 200
St. Giles	45, 257	3, 968	1, 792, 090
Holborn	36, 122	3, 251	1, 433, 645
Strand	32, 563	2, 827	2, 181, 865
Fulham	114, 811	16, 355	2, 729, 270
Limehouse	58, 500	8, 012	1, 592, 345
Poplar	156, 525	20, 487	3, 252, 380
St. Saviour	28, 628	3, 436	1, 523, 930
Plumstead	63, 664	10, 026	1, 642, 200
Lewisham	71, 702	11, 534	2, 641, 535
St. Olave	11, 974	1, 455	1, 023, 975
The Charke Houser; Gray's Inn; the Close of the Collegiate Church of St. Peter; Inner Temple; Middle Temple; Lincoln's Inn; Staple Inn, and Furnival's Inn	1, 151	182	446, 465
Total	3, 832, 441	488, 995	137, 700, 145

The govermental functions of the city of London proper are divided between the corporation and an authority called the commissioners of sewers. The former superintend the police, the city, courts of justice, bridges, markets, and education. The latter, street improvements, paving, lighting, cleaning, sewers and drains, sanitary work, etc.

The corporation of London enjoys some special and peculiar rights of taxation. It taxes all coal coming into the metropolitan police district at the rate of 1*s.* 1*d.* (26 cents) per ton. Nine-thirteenths of this is appropriated for general metropolitan improvements and the balance for city improvements. It collects a wine duty of 4*s.* (97 cents) per tun on wine imported by way of merchandise into the port of London. In 1884 these duties produced $2,766,810. The city also levies a tax on grain imported into the port of London at the rate of $\frac{3}{16}$ of a penny per cwt. This in 1884 produced $87,245. This income is especially applied to the preservation of open spaces in the neighborhood of London.

Statement of receipts and expenditures of the city of London for the year ended December 31, 1885.

Items of income.	Amount.	Items of expenditure.	Amount.
Balance in hand December 31, 1884	$20,755	Expenses of civil government	$347,680
Rents and quit rents	680,975	Donations, pensions, etc	92,770
Renewing fines, etc	8,430	Educational expenses	77,655
Premium for granting a lease	15,000	Administration of justice (criminal)	39,725
Interest on Government securities	16,455	Office of coroner	12,840
Markets, viz:		Expenses in relation to gas and water	7,055
Metropolitan cattle market	164,985	City library and museum	30,380
London central markets	428,285	Erection of new council chamber	25,720
Leadenhall	38,240	Collection and management, rates, etc	68,040
Farringdow	10,175	Charges on markets, viz:	
Smithfield hay market	985	Billingsgate	108,150
Billingsgate	135,200	Metropolitan cattle market	200,560
Central fish market	31,490	Meat and poultry market	355,520
Metage of corn, fruit, etc	8,690	London central fish market	85,980
Brokers' rents	47,025	Other markets, etc	42,375
Mayor's court fees (gross)	42,735	Charges—metage and brokers' rents	15,700
Judiciary fees	6,915	Expenses of magistracy and police	185,690
Grant in aid of pauper lunatics	12,245	Sanitary expenses port of London	29,310
Officers' surplus fees and profits	47,635	London central fish market	20,360
Wages to workmen (jobbing work) and materials	41,860	Enlargement of Leadenhall market	75,840
Casual, sundry, and incidental receipts	21,430	Loans discharged	305,000
Transfers, expenses of bills in Parliament remembrancer's office suspense account	98,175	Remembrancer's office suspense account	77,805
Sale of premises and securities	1,100	Parliamentary expenses	23,415
Loans raised	379,160	Enlargement of Pauper Lunatic Asylum	26,135
Re-imbursement London central fish market	8,860	Erection of new School of Music	15,320
Cash from reserve fund	100,000	Erection of new London alms-houses	52,920
		Reception of H. R. H. Prince Albert Victor	8,785
		Expenses of West Ham Park	9,150
		Investment in purchase of property and stock	17,600
		Miscellaneous	40,620
		Balance in hand December 31, 1885	28,71
	2,426,810		2,426,810

THE METROPOLITAN DISTRICT.

The metropolis of London for collecting rates and performing minor duties of administration is divided into 38 local authorities. There are, however, three boards, with special duties, which have jurisdiction over the whole, and in some cases beyond the whole, metropolitan rating area. These are the metropolitan board of works, London school board, and the metropolitan police force.

THE METROPOLITAN BOARD OF WORKS.

The metropolitan board of works, constituted in 1855, has carried out some great public works; among these may be mentioned the main drainage of London, the Victoria, Albert, and Chelsea embankment, the formation of Queen Victoria street, Northumberland, and Shaftesbury avenues. Freeing all the Thames bridges from toll charges, the widening of several important streets, and the creation of Finsbury and Southwark Parks. Among its other powers, this board has the regulation of the construction of theaters, music halls, and other public buildings, and the control and maintenance of the fire brigade, consisting of 669 officers and men.

This board has very extensive borrowing powers and discretion to make loans to smaller local bodies. It has borrowed up to January, 1886, $176,411,860, and loaned $31,875,460. The outstanding loans of

the board on December 31, 1884, amounted to $122,730,295 and were apportioned, approximately, among the several purposes for which they had been raised, as follows:

Sewerage	$18,111,305	Embankment and street improvements	55,716,785
Artisan's dwellings	6,357,970	Loans to other local authorities	30,559,790
Bridges	8,829,935		
Parks and open spaces	1,945,350	Total	122,730,295
Fire brigade	1,209,160		

The following table shows the receipts and expenditures of the board for the year ended December 31, 1885:

Account showing the total receipts and payments by the metropolitan board of works for the year ended December 31, 1885.

Items of receipts.	Amount.	Items of payments.	Amount.
Balance on 1st January, 1885	$1,837,940	Interest of debt	$4,239,466
Rates	4,187,975	Sewerage, drainage, and working expenses of pumping stations and deodorizing at outfalls	615,140
Coal and wine dues	1,628,510	Thames embankments (maintenance)	43,745
Contribution for fire brigade:		Fire brigade (maintenance)	589,390
From Government	50,000	Parks and open spaces (maintenance)	121,210
From insurance officers	127,100	Bridges (maintenance)	43,810
Contribution towards improvements:		Expenses, various	92,580
City	2,815	Establishment, law and parliamentary expenses, printing, etc	287,375
Hampstead	100,000	Hydrants	15,970
Wandsworth	3,750	Main drainage and sewers (construction)	820,170
Contributions from counties, etc., for bridges	19,375	Queen Victoria street (construction)	1,065
Interest on loans and balances	1,319,765	Street improvements	4,083,225
Rents	521,965	Bridges, capital outlay	867,685
Fees under various acts	41,595	Ferry at Woolwich	135
Costs of works, recovered	1,010	Thames floods prevention	24,615
Miscellaneous income	41,160	District railway ventilators	41,365
Sales of ground rents, etc	981,495	Contributions toward local and minor improvements	192,905
Firemen's savings fund	3,280	Fire brigade stations and plant	174,715
Loans raised by the board	8,462,715	Commutation of stamp duty, etc., on loan of 1884	75,525
Temporary loans	1,000,000	Firemen's savings fund	1,810
Loans repaid to the board	1,254,120	Dwelling-house improvement fund	327,365
Deposits by the board returned	153,775	Expenses on properties taken and relet or sold	82,350
Deposits with the board returnable	2,025	Loans repaid	1,127,665
Peabody donation fund trustees: Refund of amount paid on their behalf: re-dwelling house improvement fund	1,125	Loans to school and asylum boards, vestries, etc	7,432,760
Investments (treasury bills) realized	6,486,170	Parks and commons (capital outlay)	415,565
		Investment in treasury bills	5,989,460
		Deposits returned	8,840
		Balance on 31st December, 1885	507,660
Total	28,223,565	Total	28,223,565

LONDON SCHOOL BOARD.

This board, having jurisdiction over the whole metropolitan area, was established in 1870. In March, 1886, there were 379,525 children and 6,141 regular and 1,643 pupil teachers on the rolls of the board. The fees charged to the children range from 2 to 12 cents each. This variation depends upon the pecuniary condition of each district. The rate is the same for all purposes in the same school. The fees collected amount to about one-tenth of the amount raised by rates, and about one-twentieth of the whole income of the board.

The following table gives the receipts and expenditure of the board for the year ended March 25, 1886;

Receipts and expenditures of the London school board for the year ended March 25, 1886.

Items of income.	Amount.	Items of expenditure.	Amount.
Balance in hand March 25, 1885	$770,600	Salaries of officers of the staff	$83,835
Grants from committee of council on education	1,327,175	Salaries of officers for enforcing by-laws	152,635
Grants from science and art department	37,775	Salaries of officers, teachers, etc	3,761,560
Amounts paid by rating authorities	5,216,880	Books, apparatus, and stationery	233,310
School fees	555,400	Printing, postage, advertising, etc	37,025
Contributions from treasury in aid of industrial schools	23,165	Rents, rates, taxes, and insurance	296,580
Loans raised	3,500,000	Furniture, fittings, cleanings, etc	321,090
Miscellaneous income	18,240	Fuel and light	104,735
		Purchase of land	1,145,595
		Erections and additions, etc., of schools	2,035,940
		Repairs to buildings	188,055
		Industrial schools, expenses	186,410
		Interest on loans	1,118,175
		Legal and miscellaneous expenses	134,625
		Repayment of loans	476,855
		Balance in hand March 25, 1886	1,177,810
Total	11,449,235	Total	11,449,235

LONDON POLICE.

The city proper has its own police force, consisting of 109 officers and 793 men, with jurisdiction restricted to the limits of the city. The cost of this force for the year 1884 was $519,840.

The metropolitan police force, consisting of 1,842 officers and 12,007 men, has the care of an area of 440,891 statute acres and a population of nearly 5,000,000. The following accounts, taken from the annual taxation returns for the year 1884, show the cost of the forces and the sources from which their income is derived:

CITY POLICE.

Items of expenditure.	Amount.	Items of receipts.	Amount.
Salaries	$21,375	Rates	$344,355
Wages to inspectors and constables	369,275	From corporation	116,640
Superannuation fund	50,040	Re-imbursement from bridge house estates for watching bridges	3,825
Paid to police widows' pension fund	2,650	Re-imbursement for services of extra constables employed in watching	45,995
Clothing, helmets, accouterments, etc	14,090	Fines and penalties	2,945
Chief office and stations' expenses	59,200	Sale of old clothing	2,780
Pay to constables for extra services	260	Casual receipts	135
Other expenditures	2,950		
Total	519,840	Total	516,675

METROPOLITAN POLICE.

Salaries and establishment charges	$195,905	From vote of Parliament	$2,645,880
Law charges	5,845	Police rates from parishes	3,376,325
Pay, clothing, and equipment	5,331,485	Special services of police	718,420
Medical and funeral expenses	43,290	Re-imbursement of expenses incurred by police on special occasions	60,120
Horses, vans, carts, etc	69,190	From prison commissioners for conveyance of prisoners	105,510
Erection and maintenance of stations	376,350	Stoppages from pay of police for lodging	50,795
Miscellaneous charges	196,890	Sale of old stores and cast horses	2,285
Retired allowances and pensions	10,035	Fines and penalties	1,175
Superannuation fund	742,325	Miscellaneous receipts	13,530
Special expenses incurred in the conveyance of naval prisoners	5,150	Re-imbursement for conveyance of naval prisoners	5,105
Repayments to admiralty and war departments for lodgings of police, etc	9,070	Issue of licenses under metropolitan carriage act	159,890
		On account of superannuation fund	93,555
Total	6,985,595	Total	7,232,590

The observations made in the early part of this report in regard to the incidence of local taxation applies generally to the city and metropolis of London. This fact, however, should be borne in mind: Traders pay a tax on the annual valuation of their shops and warehouses as well as on their residences, and thus a person of only $5,000 income from his business often pays a larger tax than a capitalist or man of leisure with an income three times as large.

THOMAS M. WALLER,
Consul-General.

LONDON, *August* 24, 1887.

TAXATION, NATIONAL AND LOCAL, IN ENGLAND.

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The income of the United Kingdom for the fiscal year ending March 31, 1887, was $441,625,000. It stands at about the same figure for the previous year; but each year before that shows a marked increase over its predecessor. In 1876, about the last of a series of years of great prosperity, public expenditure necessitated a revenue of $367,360,000. Each year since there has been an addition, until the entire advance amounts to an increase of 20 per cent. in the decade. The swelling revenue at a time of peace, and when, from the statements of prominent statesmen well qualified to speak, there seems good ground to doubt that the organization of the great spending departments—the war and navy—is such that the nation gets its money's worth, is the occasion of grave concern to many who remember, too, that within the decade the purchasing power of money has been increased by 30 per cent., and that consequently the expenditure and revenue of the Government has increased to an extent greater than appears upon the surface.

The budget for the current fiscal year, prepared by that distinguished financier the present chancellor of the exchequer, Mr. Goschen, provides for a revenue about as last year; and it is therefore proper to conclude that the normal revenue of the nation must average about $441,000,000. A small part of this goes to reduce the national debt, which in 1877 amounted to $3,747,276,000; it stands to day at $3,580,216,000, having last year been reduced by $31,000,000. Of the revenue for the fiscal year 1886–'87, $370,413,000 was produced by taxation, the remainder accruing from the post-office, telegraphs, crown-lands, etc. Ninety-eight millions were collected for customs duties, and $122,800,000 for excise duties. These are the only indirect taxes levied; but amongst other things the excise controls licenses which are not indirect taxes. Deducting $17,000,000 for licenses, the sum of the two duties is $203,800,000. This is the amount collected by indirect taxation. It is 46 per cent of the whole revenue, and 55 per cent. of that portion of the revenue resulting from taxation. This proportion might with signal advantage be largely increased.

It is desirable to examine with some minuteness the various sources of revenue and to consider upon what classes of the community falls the incidence of taxation.

First. As to customs, there are some twenty dutiable articles, as specified in tables 2*a* and 2*b*, where is also shown the rate of duty upon each. Table 3 shows the amount received from each class of dutiable

articles during the fiscal year 1885–'86 (figures for last fiscal year are not yet at hand in detail). It will be observed that all duties are specific. This simplifies the work of collection, but is productive of a measure of injustice. Take tea, for instance: This article brings in each year about $20,000,000 to the revenue, and the duty for a considerable period has stood at 12 cents a pound. The consumption is enormous, and each year increases; in 1885 it was over 5 pounds per head of population, and to-day it is even more. But the increase, to a considerable extent, is amongst the poor (some of whom drink incredible quantities), who pay from 24 to 48 cents per pound. The duty being 12 cents, they are taxed one-third the value of their tea, while the richer classes are mulcted in less than a sixth. We shall see further on, however, that such inequalities are more than compensated for to the poor. The duty on tobacco has for some time been 85 cents per pound, unmanufactured, but the last budget has reduced this to 77 cents. It has been near this figure since 1825, and this enormous tax of several hundred per cent. ad valorem has not only had a tendency to render small the consumption of tobacco in Great Britain as compared with the Continent and the United States, but has placed a premium upon smuggling. The small reduction just made will not reduce the price of tobacco, but will allow more of the weed and less of water—the only admixture allowed by law—in the cheaper grades, selling at 6 and 7 cents per ounce. The reduction is a concession to the poorer classes; those better off got theirs by a reduction of the income tax. The tobacco duty is the stand-by of the customs, and produces something less than half the entire customs revenue. Here, again, the specific duty tells against the poorer smoker. The duties on tea, coffee, tobacco, and wine are levied upon the principles underlying a tariff for revenue only, and the propriety of taxing these commodities is, I think, generally admitted, except perhaps as to tea. The United States have waived this duty with advantage, but it is likely that its remission in Britain would only benefit the middle-man. The Government would thus incur a considerable loss without at all encouraging the use of tea as a substitute for alcohol. The existence of an excise duty upon beer, liquors, gold and silver plate, and some few other articles, necessitates a countervailing customs duty; but of this class nothing is imported in sufficient quantities, excepting spirits, to bring in revenue worth speaking of. The cost of collecting customs duties for the year ending March 31, 1886, was $4,649,000, or 4½ per cent. of the gross amount collected. The brevity of the tariff list, the fact that duties are specific, and the fact that the board of trade relieves the customs of some of its usual functions, prevent the necessity of a large staff and make the cost of collection small.

Second. As to internal revenue or excise duties. These are said to have been first levied in 1646, when they were imported from Holland. Blackstone says, "From the first original to the present day the very name has been odious to the people of England;" but long generations of usage have thoroughly accustomed the people to the excise, and the words of the sage of the law would not now apply. There was formerly a lengthened list of commodities subject to excise duties; but one by one the taxes have been repealed until there only remain charges upon articles that all nations seem to agree in taxing heavily. The excise duty upon glass was repealed in 1844; upon bricks, 1850; upon soap, 1853; upon paper, about 1862. The charges now remaining are upon: Beer, every 36 gallons of wort, specific gravity 1057 degrees, $1.52;

chicory, per 100 pounds, $2.94; upon every substitute for coffee or chicory, ¼ pound, 1 cent; railway passengers, 5 per cent. on passenger fares; spirits, per proof-gallon, $2.43. The customs duties exceed the excise duties: Upon beer, by 6 cents in 36 gallons; upon chicory, by 28 cents per 100 pounds; upon spirits, by 9 cents per proof-gallon. The charge upon beer is comparatively light, it will be noticed, and beer-drinkers contribute proportionately less to the revenue than do wine and spirit consumers. The great drink of the laborer and artisan is beer, and these classes are favored by the lightness of the tax. The administration of this branch of the public taxation is in the hands of the board of inland-revenue, a department created in 1849 by consolidating the various offices engaged in collecting excise duties, stamp duties, assessed taxes, and income tax. The revenue from excise was, for the fiscal year ending April 30, 1887, $122,879,000. The budget return of the year estimated that this revenue would reach $125,039,000. There was thus an overestimate of $2,160,000, due principally to decreased consumption of beer and spirits. A strong temperance sentiment is growing, but the decreased consumption must undoubtedly be attributed mostly to general trade depression. Table 4*a* shows the items that contributed to the excise, and the amounts from each for the fiscal year 1885–'86 (1886–'87 not yet published). The tax upon spirits and beer make up four-fifths of the total. There were over 27,000,000 gallons of the former and 27,000,000 barrels of the latter retained for home consumption in the year 1886. Excisable or customable articles except tea, can only, as a rule, be sold under license. These licenses, bring into the revenue (Table 4*a*) about 17,000,000 a year, and are issued by the inland-revenue authorities; but in the case of retailers of liquor and beer only upon the order of the local magistrates, who have plenary power and are most rigidly careful in its exercise. They turn to the police for information as to the character of individuals applying for licenses, and as to the previous management of their establishments; and it has sometimes seemed to me, in observing particular cases, that there is an undue power thus lodged in the hands of the police, who may easily ruin an applicant by reporting him unworthy. Retailers of liquor pay from $21 to $300, according to the rental of the house they occupy. The schedule of excise licenses (Table 5) contains items that with us would be retained for State or purely municipal taxation, but which in Great Britain are made to contribute to the imperial revenue. Such is the tax on dogs, on guns for sporting purposes, on house-agents, on hawkers, on dealers in gold and silver ware, etc.

The passenger duty is the next item in Table 4*a*. It brings in about a million and a half a year, and is a tax of 5 per cent. upon all passenger fares exceeding the rate of 2 cents per mile. The latter is the usual charge for third-class traveling, and as the accommodation improves each year the number traveling thus increases, and the governmental revenue consequently diminishes.

Third, as to stamp duties. The amount realized from these was in the last fiscal year $57,570,695. These swollen figures indicate at a glance that contracts of almost every nature are taxed, and that the tax must be heavy. Tables 6*a*, 6*b*, 6*c* show respectively what instruments require stamping and the amount and the sums realized for the fiscal year 1885–'86. The tax on bills of exchange negotiated in the United Kingdom of 1*s*. in every hundred pounds, one-twentieth of 1 per cent., seems an onerous charge; but is after all as nothing compared with the tax of one-half of 1 per cent. on par value, exacted for transferring shares and stock. It has prior to the present year been at the

same rate as the tax on bills of exchange, but has been raised in the lately brought-forward budget. There is likely to be some attempt made to tax the stock transactions that are settled by the payment of differences, and where no shares pass, but it seems impracticable. Thus the gamblers escape, while investors are mulcted. The stamp upon land transfers are a heavy burden to the country, and with other charges make the transfer of real property so expensive as to be sometimes prohibitory. A friend bought a house and lot in Bristol for $10,000, and the cost of transfer to him was $350. This is not an unusual proportion, nor does it include the vendor's expense, which was considerable.

The probate duties, which fall upon the gross personal property left by a decedent and which are included under the head of stamps, brought in (Table 4*b*) for the fiscal year 1885–'86, nearly $20,000,000. They range from $2.43, when the estate is valued at from £20 to £100 ($97.33 to $486.65), up to $5,839.80, when the estate is valued between £80,000 and £90,000 ($389,320 and $437,985); up to $14,599.50 for estates from £200,000 to £250,000 ($973,300 to $1,216,655); up to $65,697.75 for estates from £900,000 to £1,000,000 ($4,379,850 to $4,866,500); and there is $7,299.73 additional for every £100,000 ($486,650) above £1,000,000. In the year ending March 31, 1885, probate duty was paid upon property valued at $653,503,319 and the amount collected was $19,361,788, or $2\frac{9}{10}$ per cent. The legacy and succession duties are a tax levied upon personalty and realty, respectively, upon the decease of its owner. Probate duties are paid by the estate before the proving of the will. Legacy and succession duties are paid by legatees or heirs upon entering upon their bequests or successions. Only freehold estates are taxed to the succession duty, consequently properties are oftentimes taken upon a long lease—nine hundred and ninety-nine years—to evade this payment. It is an unfortunate tax that thus complicates and makes more intricate the transfer of land. The revenue for the fiscal year 1885–'86 from these duties was $16,000,000. Here, as shown in the stamp duty (Table No. 6*b*), the amount of the tax depends upon the degree of consanguinity of the heir or legatee; and if a distant relation or a stranger in blood, 10 per cent. of his legacy must find its way into the coffers of the Government. This onerous tax is itself a legacy from the feudal system, which has left a deep impress upon the institutions of this country, and in which the over-lord was entitled to large sums from heirs upon entering the estate of a deceased feudal vassal. The husband and wife are exempt from this tax, as also are the royal family. The amount of property upon which it was paid was, for the fiscal year 1884–'85, $228,268,049, and the amount collected was $16,219,864 or $7\frac{1}{10}$ per cent. The amount of the probate and legacy and succession duties together was $35,581,652, collected from property to the value of $881,771,368. Thus in this year $4\frac{3}{10}$ per cent. of the property left by decedents was gathered into the national treasury.

Fourth, as to land tax and house duty. The amount collected under this head was, for the fiscal year ending March 31, 1887, $14,502,170, of which something less than a third should be credited to the land tax. The two items combined under this head in the revenue returns mean two very different things, and I see no reason for the practice of combining them. The history of the land tax is so curious and its incidence so inequitable as to merit notice at some length. It has existed in some form for centuries, but was re-imposed in 1692 upon a new valuation of the landed property of the country. In 1798, under pressure of money needs and perhaps to abolish an ancient and unscientifically distributed tax, the then Government made this tax perpetual and ex-

tended to land-owners the privilege of redeeming it forever by a single payment. The terms of redemption were most favorable to landlords, and the obvious idea was that land-owners would all redeem, the treasury be filled, and the tax disappear.* But the subsequent construction of the act was—though a contrary intent was admitted in the Government—that the levy and redemption was to be upon the then existing basis of valuation, *i. e.*, that of 1692. It was consequently cheaper for landlords to pay the annual tax than to redeem; so the act failed of its purpose. The tax exists to-day under the old conditions, and the land-owners are paying 20 per cent. upon the annual value of their land, etc.; that value being the result of the appraisal of 1692, over two hundred years ago! The result of this curious medley is that the tax amounts frequently to less than a thousandth of 1 per cent. of annual values and actually brings in less to-day than when first established two hundred years ago; though it must be remembered that considerable quantities of land have been redeemed from the tax; and this redemption prevents the Government from wiping off the tax entirely upon unredeemed lands. Under shelter of this ancient law the land of the country, *as land*, practically escapes taxation, excepting for the stamp duties upon its transfer and the death duties once a generation; though we shall see farther on that it is reached by the property and income tax.

The house duty is a tax upon inhabited houses, rising in proportion as rent rises, and designed to bear entirely upon occupiers and not upon landlords; hence the rate is always low, otherwise rents would fall and the landlords be taxed. Private houses are charged more than those used for business purposes, the rate being 9 pence in the pound of annual value, or 3¾ per cent. for former; and 6 pence in the pound, or 2½ per cent. for business property and farm-houses.

Fifth. As to property and income tax. The property tax is the tax upon the annual value of real property; the income tax falls upon the incomes. This tax, repealed in 1816, was re-imposed in 1842 by Sir Robert Peel, who utilized the old machinery for its collection. In introducing the measure imposing this tax he referred to the latter as an unpopular and obnoxious tax that ought to be reserved for time of war. He called it inquisitorial, and stated that nothing but a political necessity of magnitude and emergency would justify its imposition. Notwithstanding the prevailing idea at the time that the tax was temporary, it still exists and is the standby and holdfast of the chancellor of the exchequer. The people are thoroughly inured to it, and while objecting to some of its unavoidable accompaniments, recognize the impossibility of abrogating it except by recourse to an enlarged customs tariff or by a radical change of method. The amount realized from it for the last fiscal year was $77,377,350. The large amount accruing from this tax, its importance as an indication of the prosperity or otherwise of the nation, its adoption as a permanent measure, when in the United States it is considered as only a war measure, justify me in treating it at some length.

The income and property tax is collected under five schedules, fully set out in Table 7. It may be well to summarize this table and say that schedule A covers property in land, and B the profits. That is to say, the land-owner pays under schedule A, and his tenant-farmer under schedule B; C covers governmental investments; D, income from professions, trades, and occupations; and E, governmental and municipal salaries, etc.

* Sir Morton Peto. Taxation, 1863.

The income tax for the current year is 7*d.* in the pound, or 2¼ per cent. for Schedules C, D, E. Property under Schedule B is taxed at one-half this rate. Incomes under $730 are exempt, and where under $1,950 are exempt as respects $580. The great body of artisans and laborers escape altogether this tax. An elaborate, yet excellent, system exists for imposing and collecting this tax. Appeals for overvalued incomes lie from one officer to another up, finally, to the courts. But many paying under Schedule D—men in business—are said to overpay rather than appeal, the most important appellate authority being commissioners who are local business men, and who are empowered to examine the books and papers of the appellant. Those who ought to know have told me that if a trader appeals and shows his business less prosperous, knowledge of his condition is sure to filter out to the community with injury to his business and his credit. Income tax-collectors are compensated by a percentage, amounting altogether to about 5*d.* in the pound (nearly 2 per cent). This, it should be understood, is divided in different degrees among several.

We turn now to Schedule A. The tax is levied upon yearly values, but unproductive land does not escape entirely. All land is supposed to be of some value; but the basis not only for this tax, but for all rates and taxes, general and municipal, is the annual value fixed by the poor-law authorities. This is defined to be the rental at which the hereditament might reasonably be expected to let from year to year, free of all tenant rates and taxes. It is worthy of note, however, that Crown valuations are always higher than local valuations. In 1883–'84 the gross value of the income-tax assessment exceeded the gross estimated rental for the purposes of the poor-rate by 8.4 per cent. The annual value of parks, pleasure-grounds, waste lands, etc., so rated, would be small. Thus taxation is not so regulated as to encourage land improvement. I have pointed out how the land escapes from the incidence of the land-tax; and during that portion of the century 1816–'42, when there was no property tax, land, at that time the most important interest in the country, practically escaped taxation for national purposes, while its products were heavily protected by the corn-laws. Were the property tax removed to-morrow, a general reorganization must ensue or the land would escape almost scot-free. It would be reached once a generation by the succession duties, and when transferred by deed, by the stamps required for the instrument of transfer.

In 1813 the yearly value of land assessed under this schedule was $276,000,000; while under Schedule D—trades and professions—the amount assessed was $175,500,000, or 63 per cent. of the former. In 1885 the amount assessed under A was $946,000,000, and under D $1,423,500,000. Here we see the condition of 1813 reversed. The income from trades and professions has increased by 711 per cent., while that from land has increased by only 242 per cent., and the former, instead of 63 per cent., is now 150 per cent. of the latter. It is only one of the many signal proofs of the gradual loss of prestige and power by the landed interests; and the result of this change has been strikingly apparent in legislation and in a slow, but general, reorganization of society.

We turn now to Schedule B, which requires no special comment, further than to say that the farmer's income has been, until the current year, assumed to be seven-eighths of half his rent; this assumption, advisable on account of the well-known absence of book-keeping amongst farmers, probably favored them during prosperous years. It is far otherwise now,

and the last budget allows the farmer an option of paying upon actual income. Schedules C and E require no special mention.

The most important, Schedule D, includes all trades, professions, and avocations. Returns are made upon the average of the three preceding years. No deductions are allowed for losses unconnected with the trade for which the return is made, nor for capital withdrawn or employed in improvement of premises, nor for debts proved to be bad to the authorities; but persons carrying on two or more concerns may set the loss in one against profit in the other. Arrearages under this schedule, as well as under the others, are recoverable by distress. This schedule and Schedule A, the two most important, show each year, and have so done for many years, an increase in annual values, and they are pointed to by theorists as evidence that the depression so long affecting trade is more apparent than real; but it is the increase, unfortunately, and not the depression, that is more apparent than real. Under Schedule "A" the annual value of land has declined from $325,621,381 in 1875, to $316,513,101 in 1885, having in the mean time been as high as $338,455,342. This is a serious decline in an agricultural and highly-cultivated country, such as this; nor do the figures represent at all accurately the actual fall in values, for official valuations are necessarily a considerable way behind actual conditions. But, notwithstanding this decline, the schedule as a whole has been boosted up $155,728,000 in the ten years simply by the increased annual value of house property, which is bound to grow, be the times good or bad, to accommodate the enlarging population. England and Wales alone would require, at the average rate of increase, some 400,000 new houses; indeed, the last census (1871–'81) tells us that 575,000 were erected in that decade, so that accumulations of capital in house property are not indicative of prosperous times. It may be well to point out here that the farmers' schedule, B, shows annual values falling from $324,848,608 in 1865, to $317,457,397 in 1875. It must never be forgotten that all these figures refer to annual and not to capital values, and that if we desire to approximate the reduction in farmers' capital we must take these figures at, say, thirty years' purchase. This gives us as loss, in ten years, of farmers' capital, $221,736,330, but their actual loss has been far greater. Landlord after landlord has for years past, as is notorious, been remitting to all tenants 10, 15, 20, often 30 per cent. of their nominal rentals, ostensibly as an act of grace, but really because the land would bear no more; but the farmers' income, as I have before explained, is assumed, for income-tax purposes, to be seven-eighths of half his rental—his nominal, not his actual rental—so that he is overrated by the amount of the landlord's rebate, and his losses thus appear smaller than they actually are.

But, to return to Schedule D, values increased under this heading from $1,299,355,500 in 1875 to $1,423,451,250 in 1885. But this increase of $124,095,750 is due, to a considerable extent, to extensions and enlargements of quasi-public corporations, which increase within certain limits independent of general prosperity. Railways show a leap in the decade from $134,047,742 to $180,440,087 (annual income); canals, from $13,944,885 (1876) to $17.251,742; gas-works, from $12,798,895 to $24,457,569; fisheries, salt, alum-works, water-works, etc., from $18,492,700 to $25,987,110. In these few great corporate interests we have, then, an increase of $68,850,000; more than half the entire increase under the schedule. But the annual profits from mines decreased during the decade from $68,656,582 to $36,985,400, and those from iron-works fell from $35,126,397 to $11,022,622. This awful fall

indicates something of the condition of the iron trade in this country. Deducting these losses on profits from the increase in the profits of the other great corporations given above, we obtain $13,500,000 as the increase in 1885 over 1875 on incomes of these few specially mentioned companies. Subtracting this from the entire increase under Schedule D we obtain $110,500,000, which represents the accretion to incomes of private individuals and the less important limited companies. But this is not an increase greater than is to be expected from the growth of population and the re-investment each year of the savings and hoardings of the previous years. And, again, three-fourths of those assessed to income tax pay upon incomes of less than $1,500 per annum. As incomes less than $730 are untaxed and artisans and laborers are thus exempt, the class who pay upon incomes ranging from $730 to $1,500 are the small shop-keepers and retail dealers. Now, it is an admitted and striking fact that while during the depression of the last decade, the price of raw materials, agricultural products, and manufactured articles has depreciated from 30 to 40 per cent., the price of commodities to the ultimate consumer has not been lowered in anything like the same proportion. The retail dealer has, in other words, reaped the advantage; and has been correspondingly prosperous. Hence an improvement in income-tax returns, but not an improvement showing general prosperity; rather showing an undue advantage to the retailer at the expense of the producer, manufacturer, and consumer. We see, then, that the figures presented in Schedules A and D are not, from year to year, to be taken without many qualifications, and much careful study, as *indices* of the general welfare. Some figures and weighty comments from the Economist of April 16, as to the incidence of the income tax, are well worth attention. This able financial paper points out that the imperial receipts from taxation for the five years ending March 31, 1887, amounted to $1,799,787,000; that the receipts for the five previous years were $1,662,240,000; that there was thus an increase of $137,540,000; that the revenue from the customs and excise was stationary during these two quinquennial periods; and that over one hundred millions of the increase came from the income tax, the bulk of the remainder being from stamps. The poorer classes, the Economist further points out, are practically untouched except by customs and excise, and have not therefore contributed towards the increased revenue, which has come mainly from the smaller trading classes, through an increased income-tax rate each year. In 1877 it was raised from 2*d.* to 3*d.* in the pound (eight-tenths of 1 per cent. to $1\frac{2}{10}$ per cent.); in 1879, 5*d.* in the pound (2+ per cent.); in 1881, 6*d.* in the pound ($2\frac{1}{2}$ per cent); in 1883, $6\frac{1}{2}$*d.* ($2\frac{7}{10}$ per cent.); in 1886, 8*d.* ($3\frac{2}{10}$ per cent.); and in 1887, 7*d.* ($2\frac{9}{10}$ per cent.). The just conclusion of the paper is that the state has not fairly apportioned its growing burden.

We have now considered the various sources of the revenue from taxation of the United Kingdom, and we have seen that more than half of this revenue proceeds from direct taxation. It now remains to point out certain general principles that appear to govern the collection of these direct taxes. We note first, that values are annual, not capital. This is in striking contrast to the American procedure, and is only possible where interest remains about the same year in and year out, and where there are no sudden and violent fluctuations, such as the rapid development of Western cities produces. In the United States a house is said to be worth $10,000; in England it is said to bring in $500 a year, hence is worth $10,000. In the former case the capital value is the point of departure; in the latter, the annual worth. While the English sys-

tem in some classes of cases probably arrives more nearly at the actual value of property, the former is more simple and uniform, and it seems to me to be preferable. The various considerations that have led me to adopt this opinion were powerfully set forth by Mr. J. D. Hume, a member of Parliament, who some years ago was at the head of a Parliamentary committee to consider the general subject of taxation in Britain, and whose opinions on such subjects carried much weight. Party considerations prevented due attention to the committee's work.

And now we come to an important consequence of annual valuation which differentiates the system still further from that in use with us. Yearly value being what is assessed, unproductive property escapes taxation. Land of course is always assumed to be productive, and pays the land tax and property tax; but, if producing little or nothing, is assessed low. But unoccupied houses do not pay the house duty; nor would they be charged to the income and property tax. They escape also municipal taxation and the poor rate. Hence a landlord with a vacant house is enabled to throw a portion of his burden upon the general community, notwithstanding that he obtains for his house all that occupied houses obtain from the general and local government in the way of protection. A man who has lived in his own house all his life has paid a somewhat increased local and general tax because his neighbor could not rent his house; and yet he has had no advantage from the authorities for this. This seems inequitable.

As with real property, so with personal. This latter is reached through the income tax alone (except legacy duties once a generation); hence when unproductive it is tax free. A ship not earning money pays nothing; yet the English flag protects it. Household furniture brings nothing into the revenue, and all the vast accumulations of works of art that adorn the homes of this wealthy nation are untroubled by the tax collector. It costs a trifle to keep a carriage; but pianos, watches, paintings, sculpture, libraries, are all untaxed, as also are unproductive investments in corporation stock.

We note, farther, that additions to the revenue, when necessary, have of late years been made by increasing the direct taxation—the indirect taxes have been practically stationary for years—and that the simple expedient has been resorted to of increasing the rate of the income tax. Now, remembering that half the amount accruing from imperial taxes is the result of direct taxation, and that the last ten years have been unprosperous, this resort of the chancellors of the exchequer to the income tax, under such circumstances, is confirmatory of what a general inspection of the system suggests, viz, that there is a notable lack of elasticity. By this I mean that there appears no opening by which in an emergency an increased revenue may be produced upon existing lines, except by increasing the income-tax rate. It is like an army recruited to its full capacity. If more soldiers are needed a new organization must be effected. This view is further confirmed by Mr. Goschen's action in his budget for 1887-'88. He has reduced the income tax a penny in the pound; but, in order to do it, he has been obliged to considerably reduce the amount annually laid aside towards the reduction of the public debt. He has been roundly abused for this; but from an American point of view—considering an income tax as a last resort, and to be got rid of before the public debt, as the greater of two evils—Mr. Goschen was right.

We note, farther, that the vast body of artisans, laborers, and the poorer classes are not directly taxed at all for imperial purposes. Indirectly they pay, through the tea, tobacco, and beer they consume, but

their taxes are proportionately very light, as compared with those of their wealthier countrymen. Doubtless their earnings are small, but it is a disadvantage to their development as citizens that they do not bear their share of the burdens of the state.

In concluding that portion of this report that refers to imperial taxation, I am glad to bear testimony to the readiness with which the people of England bear their burden of taxation—a burden rendered more difficult to carry for the reason that so much of it is direct. They boast that they are grumblers; but while they grumble they pay, and they do not invariably hold back till the last day to save interest.

Tithes are not, strictly speaking, a tax. As, however, they are a perpetual charge upon land and had a quasi-public origin, a few words upon the subject will not be out of place. They had their origin in the earlier ages of the Christian era in voluntary gifts to the clergy, and Charlemagne, in 778, is thought to have first promulgated general laws making the payment compulsory. Ten years after this an ecclesiastical code was drawn up by the spiritual and secular authorities of several of the kingdoms of the Saxon Heptarchy, and an ordinance *de decimis dandis* passed; thus some little time before England became England the payment of tithes was obligatory, and the obligation has continued through the intervening centuries down to to-day. The statute law has materially changed its nature and the nature of the tithe itself. A hundred years ago tithes were defined to be a tenth part of the increase yearly arising from the profits of land, stocks upon land, and the industry of parishioners, payable for the maintenance of the parish priest, and they were usually paid in kind. But such payments are unsuitable to modern conditions, and the tithe-gatherer, marking for the rector a tenth of all the sheaves of wheat in the parish, and collecting the offspring of the sheep and cattle, and the products of the orchard, dairy, etc., is seen no more, for the tithe-commutation act of 1836 has commuted all such payments into a perpetual charge upon land, payable by the tenant. But this change of methods by no means has reconciled the farmer to the charge, for he objects to the payment at all, and not to the mode of collection simply. Mr. Chancellor Kent says: "The most litigious cases in the exchequer reports are those relating to tithes, and it is a great relief to the labors of the student, and a greater one to the duties of the courts, and infinitely more to the agricultural interests of the country that the doctrine of tithes is unknown to our law." There is a constant and organized resistance to the payment of tithes in many parishes, particularly at the present moment in Wales, and it is certain that as the farming interests of this country become more and more depressed, as seems inevitable, the resistance to the tithe will become more and more pronounced. Though perpetual, the tithe-rent charge fluctuates and is based upon seven-year averages, and is specified in terms of grain, which are turned into terms of money at average prices. These attempts to safeguard the farmer from undue payment have not been entirely successful, and the present Government, recognizing this, and desiring to soften the obnoxious charge as much as possible in every way, on March 31, of this year introduced a bill providing that the tithe shall hereafter be collected from the landlord, giving him 5 per cent. off as compensation for his trouble in re-collecting from tenants through increased rentals, and empowering county court judges to grant reductions where the charge is such as to drive land out of cultivation. Owing to depressed agricultural conditions, I think it likely that in many cases the landlord will be unable to recoup himself from his tenants, and that consequently the charge in future will fall upon him.

The new bill provides for redemption of tithes at twenty years' purchase. The old one demanded twenty-five, but under neither bill is there likely to be much redemption, as £100 in tithe-rent charge is now worth only £87 8*s* 10*d*, though in the neighborhood of towns where lands have become divided for building purposes redemption increases. There is a dearth of statistical information as to tithes. Under the act of 1836 the tithes of some twelve thouand parishes in England and Wales have been commuted into a rent charge, under which some $20,000,000 are annually collected. Something more than half of this goes to parochial incumbents, while about $3,500,000 go to lay impropriators, or secular owners who have obtained possession of the tithe.

It is not within the scope of this report to deal with systems of government, either local or national; but schemes for taxation can not be considered without more or less reference to schemes for government. I therefore set out at length the various bodies that locally govern England and Wales, all of which are more or less under the control of the local government board in London, whose head is a cabinet officer. There are 647 boards of guardians of the poor, covering 14,894 parishes; county authorities of 64 counties and divisions of counties; corporations of 252 municipal boroughs; 239 town councils acting as urbane sanitary authorities; commissioners of 45 improvement act districts; 694 local boards; 23 joint boards; 578 rural sanitary authorities; 47 port sanitary authorities; 936 burial boards; 17 commissioners of baths and wash-houses; 184 lighting and watching inspectors; 4 commissioners of markets and fairs; 23 bridge and ferry trustees; 38 metropolitan vestries and district boards; the conservators of two metropolitan commons; 2 metropolitan free libraries commissioners; the commissioners of London City; the metropolitan board of works; the London police commissioners; the London corporation; 53 sewer commissioners; 201 drainage, embankment, and conservancy boards; the church-wardens of 157 parishes in which church rates are still levied; 82 harbor, pier, and dock authorities; 375 highway boards acting for 7,648 highway parishes; 34 rural sanitary authorities, exercising the powers of highway boards for 619 highway parishes; 6,601 surveyors of separate highway parishes; and 78 turnpike trustees. These various bodies, acting under different and perhaps frequently amended statutes, make up perhaps as complete a local government system as human ingenuity could devise.

The aggregate receipts of these authorities, says the local government board report for 1885–'86, during the year 1883–'84, after making the necessary deductions to avoid duplicate reckonings, amounted to $210,195,118. Of this $124,720,000 (59 per cent.) was the result of taxation through rates. The remainder came from parliamentary contributions, tolls, dues, revenue from gas works, water works, etc. Rates levied in London increased in the decade ending with 1884, 59.8 per cent.; in urban districts outside London, 52.4 per cent.; in districts partly urban partly rural, 12½ per cent.; and in rural districts, 11 per cent. The local debt of England and Wales in 1884 amounted to $802,388,500, while the national debt was $3,632,472,000. The local government board has made an effort to trace the objects to accomplish which the various local loans were effected, and they have succeeded fairly well. The result of their effort is shown in Table 13. A general summary of urban and rural financial transactions for the year 1883–'84 is given in Table 12.

Forty millions for poor-rates is the largest item of expenditure in Table 10, and we will therefore first consider this. The poor-laws date from

1537, and from time to time have been altered to accord with altering conditions. The principal statute under which the system is now administered is the poor law amendment act of 1834, which vested in three commissioners the power to makes rules, regulations, and orders for the management of the poor, the government of the work-houses, and the maintenance and education of pauper children. They were empowered to combine parishes into unions, and each parish was to contribute in proportion as its poor received relief. The administrative powers of the unions were vested in boards of guardians, elected by the rate-payers. The board, by the poor-rate and assessment collection act, 1869, are to appoint a valuation committee to which officers, called overseers, report the valuation of all ratable hereditaments in each of the parishes included within the union. These appraisals the committee revise, and there lies an appeal from their revision to the justices of the peace. The basis of valuation, as I have before said, is the rent at which the hereditament might reasonably be expected to let from year to year free of all tenants' rates and taxes. With these appraisals before them the board of guardians proceed to "make a rate" by levying upon each pound of annual value of hereditaments such a percentage as will produce in the aggregate sufficient to cover the estimated expense for the ensuing year. Ratable hereditaments include land, houses, things connected with the soil, and also rights and privileges springing from it. Occupiers, not owners, pay the rate, and vacant houses are exempt. If the annual value of a house be less than £8 the owner may pay the tax, receiving a discount of 25 per cent., or he may be compelled by the authorities to do it, and if he agrees to pay the poor-rate, whether his house be vacant or occupied, he receives a rebate of 30 per cent. This course is generally pursued, especially in towns, and saves the authorities an infinity of trouble and expense.

The amount actually collected in the year 1884–'85 for poor rates was $75,000,000, but the guardians collect large sums for other local governing bodies, so that only $40,000,000 of this sum was paid for actual relief to the poor, the remainder being handed over to the authorities for whom it was collected. This sum represented an average charge of $1.52 per head of estimated population, and an average of 1*s.* 2*d.* in the pound ($5\frac{5}{8}$ per cent.) on the ratable value of property liable to contribute to the poor rate. These figures have not materially altered in ten years. It will be observed that the same principle obtains with the poor rate as governs the collection of national taxes, viz, that personal property and unproductive house property escape the charge.

The principal items in relief expenditure were as follows:

In maintenance	$9,351,403
Out relief	12,019,505
Maintenance of lunatics	5,781,460
Work-house and other loans repaid	2,442,652
Salaries, rations of officers, etc	6,603,563
Other expenses connected with relief	5,125,787
	41,324,370

The number relieved during the year was 768,938, or one in 35 of estimated population. Ninety-five thousand eight hundred and forty-three were adult able-bodied men or women, being one to 283 of population. Five hundred and eighty-five thousand one hundred and eighteen were out-door paupers; 183,820 in-door. Each year the proportion of the latter slowly grows as public sentiment becomes stronger and stronger against out-door relief, which, in some cases, may be said

to be a payment in aid of wages. It is a deplorable system that begins by paying insufficient wages; then compensates by remitting taxes; then, if more be necessary, extends the hand of official charity. The effect upon the poorer classes of labor is lamentable.

I shall consider the poor rates in their local application, in connection with the accounts of the city of Bristol, to which I now turn. Here exist great difficulties in the obtaining of statistical information, owing to the different subdivisions for different purposes of the city. The poor-law authorities collect the taxes for the city authorities, thus relieving the city of the cost of a considerable staff of officials; but the municipality is divided for poor-law purposes into three different unions, two of which include adjacent villages not part of the city. Then, again, the very important sanitary functions of the municipality are performed by the town council, not as a town council but as a sort of committee of the whole, called the Urban Sanitary Authority. The reason of this peculiar separation of function lies in the fact that municipal government began long before sanitary science, and when the latter did come into being its administration was by statute grafted onto the already existing authority, but rather as a separate and distinct branch than as a natural concomitant. The sanitary authority has then a separate organization, levies its separate rates, which are collected by its own staff, and has, in the case of Bristol, a somewhat different boundary than has the jurisdictional limit of the city authority proper. The docks committee of the town council also collect, through the poor-law administration, a small rate in aid of the income from the docks. In this intricate confusion of governing bodies and boundaries we may search for such statistics as are necessary, when pieced together, to present the account of the city as a whole, for there is no central office nor combining of totals into one general account.

We turn first to the borough rate, this being the charge upon ratable hereditaments for general purposes, *i. e.*, police, administration of justice, fire brigade, municipal salaries, etc.; and we find that for the year ending March 25 last the amount collected was $147,581. The sanitary rate, levied to cover cost of pitching, paving, lighting, street cleansing, sewer maintenance, construction, and so on, produced $608,284. The dock rate realized $10,025. If we now combined these three sums and presented the total as showing the cost of the city government we should be inaccurate, for the reason that the jurisdiction of the sanitary authority is not coterminous with the jurisdiction of the city government. The population of the city in September, 1886, was 270,047, while that of the sanitary district was 221,415. And again, the dock rate is levied only upon the inhabitants of a small district of the city. Now, the 48,632 people included within the city boundaries, but not included in the Bristol sanitary district, are within the limits of other sanitary districts, and they are taxed in these other districts for sanitary purposes about as they would be if in the Bristol district. Hence we may say approximately that if 221,415 people pay $608,000 270,000 will pay $741,542. Adding to this the borough rate collection of $10,025 we obtain $899,148 as the approximate amount obtained by taxation from the people of Bristol during the year ending March 25, 1887, for municipal purposes. This is $3.33 per capita. It was collected on property of annual value of $4,749,000, and is nearly 19 per cent. of that annual value. Capitalizing the annual value at twenty years we obtain $94,980,000, of which the taxation is 9½ tenths of 1 per cent. This compares most favorably with the American percentages; but there are many things to be considered and which vitiate the compari-

son. First, there are no state or county levies in the Bristol accounts; second, poor rates being separately levied there is nothing in the Bristol accounts for almshouses and charities; third, though I have capitalized the ratable values, which are less than the gross values, nevertheless the result will be a higher valuation than would be assessed in the American cities, hence the percentage is less of taxation. Against this, however, we have the fact that both real and personal property in the American communities is levied upon, while here only real property is taxed. From all these conditions we are justified in saying that to compare Bristol's annual municipal taxation of less than 1 per cent. of capital values with those of New York (about $1\frac{8}{10}$ per cent.), Philadelphia (about $1\frac{9}{10}$ per cent.), Brooklyn (about $2\frac{6}{10}$ per cent.), Chicago (2 per cent.), and so on, is to compare two things which from their nature are not properly comparable. But there is no doubt that the expenses of city government are proportionately far less in Great Britain than in the United States. I have pointed out in a previous report that some of this difference is nominal only, and that some is due to the small salaries and wages paid in this country; but there is undoubtedly a more careful and economical spirit pervading municipal administration in England than in America. I believe it to be far otherwise with national finances.

I am unable to extend information as to the poor rate throughout the entire city. The authorities of the Barton Regis Poor Law Union either are ignorant of the financial details of their own administration or have preferred not to extend them to me. The authorities of the Bedminster Union, though most obliging in forwarding reports, have not yet published their accounts for the last half of the year just ended. This union includes 53,000 of the people of Bristol, and there was collected from them for the first half of the last year $22,712, upon a ratable valuation of $621,053. The rate for the second half of the year was about the same; therefore, the total yearly collection amounted to, approximately, $45,424. This is $7\frac{3}{10}$ per cent. of annual values, and is 85 cents per head of population. The nineteen ancient parishes of Bristol are combined into the Bristol Poor Law Union, with an estimated population of 55,000, and with ratable property to the value (annual) of $1,838,267. The heart and business portion of the city are here included, and values are naturally high in proportion to population. The poor rate last year (ending April 5, 1887) was one shilling and six-pence in the pound ($7\frac{1}{2}$ per cent.) of annual values.

Arrears of municipal or poor rates are very small. A distress lies for non-payment; and I find in the municipal corporation acts, 1845, that in default of distress for non-payment of borough rate two justices may commit the debtor to jail, "there to remain without bail or main-prize until payment." I can not find this repealed in set terms in subsequent acts, but I have no doubt it is a dead act.

Though the general principle is that all rates and taxes shall be levied upon the occupier, the sanitary rates are—as I have before mentioned is the case with poor rates—charged to the owner where the house is rated under £10, or where it is let out in parts. This adds much to simplicity of collection. Unoccupied houses are not subject to municipal rates. Private improvement charges are not levied to the extent that exists in the United States, and they generally take the form of a special rate, enduring for thirty years, and which rate pays interest on debentures issued, and provides for redemption at the end of the thirty years. This principle is highly to be commended. It spreads the payment for a great and lasting improvement over several successive

owners and residents, and makes the annual charge so light as readily to be borne. Unoccupied houses are liable to private improvement rates; if occupied, the tenant pays the rate, but deducts three-fourths of his payment from his rent.

The cost of collection of municipal taxes is comparatively small. I can not give it for the whole city, but the admirable report of the Bristol board of guardians shows the cost for the nineteen old parishes. The assessment expenses for the year were $3,073, and for this sum the valuation of 8,529 houses, covering 755 acres, was estimated. It should not be forgotten, however, that the value of real property varies but little from year to year, and that houses once valued are valued for years and decades. The actual collection expenses—being the percentage retained by the four collectors—were $4,039 or $1\frac{6}{10}$ per cent., for which remuneration they collected $250,269, which sum was 93½ per cent. of the amount to be collected. But the 6½ per cent. of deficiency means for the most part uninhabited houses and not arrears. The rates included in this sum of $250,269 were the borough, the dock and harbor, and the poor rates. The remaining rate, the sanitary, as I have before said, is collected by a separate machinery.

In closing these remarks upon local taxation, it only remains to be said that the same general principle as governs national taxation, viz, that it shall be levied upon productive property, obtains; and that the poorer classes contribute only indirectly to local taxation through increased rental; and many instances exist where the entire burden falls upon the landlord, and the poor escape as completely from local as they do from national taxation.

I shall not touch upon non-urban local taxation. We have already seen the confusion that exists in the accounts of the city of Bristol, and if we go into the country and attempt an outline of the county methods, we shall find through overlapping boundaries and separate administrations an even more intricate maze to penetrate, and were we finally successful the end would not compensate for the labor involved.

In concluding this report, I extend most hearty thanks for kindness extended, for reports forwarded, and for information freely given, to the Bristol city authorities, to the members of Parliament for Bristol, to the officers of excise and customs stationed here, and to others whom I can not particularize from lack of space.

LORIN A. LATHROP,
Consul.

BRISTOL, *June* 30, 1887.

TABLE 1.—*Revenue of the United Kingdom of Great Britain and Ireland for the fiscal year ending April* 30, 1887.

	Estimate.	Receipt.	Increase.	Decrease.
Customs	$95, 870, 050	$98, 084, 307	$2, 214, 257	
Excise	125, 039, 851	122, 879, 125		$2, 160, 726
Stamps	55, 307, 772	57, 570, 695	2, 262, 923	
Land tax and house duty	14, 210, 180	14. 502, 170	291, 990	
Property and income tax	76, 671, 707	77, 377, 350	705, 643	
Post-office	40, 245, 955	41, 121, 925	875, 970	
Telegraph	8, 419, 045	8, 905, 695	486, 650	
Crown lands	1, 800, 605	1, 800, 605		
Interest on advances	5, 669, 472	5, 723, 938	54, 466	
Miscellaneous	14, 112, 850	13, 779, 815		333, 035
	437, 347, 487	441, 745, 625	6, 891, 895	2. 493. 761
Net increase			4, 398, 138	

TABLE 2a.—*Articles subject to import duties in the United Kingdom and the rate of duty upon each article.*

Cocoa:		
Raw	per pound..	$0.02
Husks and shells	per cwt..	.48
Chocolate, ground, prepared, or in any way manufactured	per pound..	.04
Coffee:		
Raw	per cwt..	3.40
Kiln-dried, roasted, or ground	per pound..	.04
Chicory:		
Raw or kiln-dried	per cwt..	3.22
Roasted or ground	per pound..	.04
Other vegetable matters applicable to the uses of coffee or chicory, roasted, etc	do....	.04
Dried currants, figs, fig-cakes, plums not preserved in sugar, prunes, and raisins	per cwt..	1.70
Tea	per pound..	.12
Tobacco:		
Unmanufactured:		
Stemmed or unstemmed, containing 10 per cent. or more of moisture	do....	.77
Containing less than 10 per cent. of moisture	do....	.85
Manufactured:		
Cigars	do....	1.26
Cavendish or negro-head	do....	1.09
Snuff containing more than 13 per cent. of moisture	do....	.93
Snuff containing not more than 13 per cent. of moisture	do....	1.09
Other manufactured tobacco and Cavendish or negro-head manufactured in bond	do....	.97
Wine:		
Containing less than 26 degrees of proof spirits	per gallon..	.24
Containing 26 and less than 42 degrees of proof spirits	do....	.60
With an additional duty of 6 cents per gallon for every degree of strength beyond the highest above specified.		

NOTE.—The duty upon the above-enumerated articles is levied upon the tariff for revenue principle. In the succeeding table are given duties levied to countervail excise and stamp duties.

TABLE 2b.—*Articles subject to excise duties in the United Kingdom and the rate of duty upon each article.*

Beer and ale, the worts of which were, before fermentation, of a specific gravity of 10.57 degrees	per barrel of 36 gallons.	*$1.58
Beer, mum and spruce, the worts of which were, before fermentation, of a specific gravity not exceeding 12.15 degrees	per barrel of 36 gallons..	63.2
Same, exceeding 12.15 degrees	do ...	7.41
Rum, brandy, Geneva, and unenumerated spirits	per proof gallon..	2.51
Liquors, cordials, or other preparations containing spirits, in bottle, not tested for strength, per gallon		3.40
Perfumed spirits and cologne water	per gallon..	4.01
Chloroform	per pound..	.73
Chloral, hydrate	do....	.30
Collodion	per gallon..	5.83
Ether, sulphuric	do....	6.08
Ethyl, iodide of	do....	3.16
Naphtha, purified so as to be potable	per proof gallon..	2.51
Soap, transparent, in the manufacture of which spirit has been used	per pound..	.06
Gold plate	per ounce, troy..	4.13
Silver plate	do ...	.36
Playing cards	per dozen packs..	.91

TABLE 3.—*Gross revenue collected from customs for the fiscal year ending March* 31, 1886.

Tea	$20,377,271	Dried fruits	$2,422,499
Coffee	989,627	Other imported articles	749,981
Spirits	20,214,822	Miscellaneous receipts	157,056
Wine	5,813,788		
Tobacco and snuff	45,253,534	Total	95,978,578

TABLE 4 a.—*Gross amount of revenue collected from excise for the fiscal year ending March* 31, 1886.

Spirits	$63,949,192	Coffee-mixture labels and chicory	$31,758
Beer	40,896,026		
Licenses	17,293,696	Total	123,813,110
Railways	1,642,438		

TABLE 4 b.—*Gross amount of revenue collected from stamps, for the fiscal year ending March* 31, 1886.

Deeds and other instruments	$8,763,014	Bills of exchange, bank notes, and composition for duty on bills and notes	$3,783,513
Probate duties	19,972,383		
Legacies and successions	16,219,864	Receipts and drafts	4,688,704
Life insurances	187,496	Other receipts	2,178,712
Marine insurances	663,698		
		Total	56,456,384

*And so on in proportion for any difference in gravity.

TABLE 5.—*Schedule of excise licenses.*

Appraisers (all per annum)	$9.70
Auctioners (per annum)	48.66
Brewers of beer for sale (per annum)	4.86
Brewers of beer not for sale	.96 to 2.16
Beer dealers	17.03
Cider dealers	6.08
Beer and wine dealers (to be consumed on the premises)	19.46
Beer and wine dealers (to be consumed off the premises)	14.60
Distillers	51.09
Dogs	1.82
Male servants	3.65
Carriages (according to size)	3.65 to 10.21
Armorial bearings (if painted on carriage)	10.21
Armorial bearings, otherwise used	5.10
Game licenses	14.60
Gamekeepers	9.73
Game dealers	9.73
Guns—to carry or use	48.66
Hawkers—for every horse drawing burden	19.46
House agents	9.73
Methylated-spirit makers	51.09
Passenger boats	24.33
Pawnbrokers	36.49
Plate dealers (according to amount handled)	11.19 to 27.98
Refiners of gold and silver	27.98
Playing-cards dealers	4.86
Rectifiers and compounders	51.09
Refreshment houses	2.43 to 5.10
Spirit retailers (including beer and wine, according to annual value of premises)	21.89 to 291.99
Grocers selling wine, beer, etc	20.43 to 66.41
Grocers selling home-made wines	25.55
Tobacco and snuff manufacturers	25.55 to 153.27
Tobacco and snuff dealers	1.28
Vinegar-makers	25.55
Wine dealers	12.16 to 51.09

TABLE 6*a*.—*Stamp duties.*

Affidavit or statutory declaration	$0.60
Agreement or contract not otherwise specifically charged	.12
Appointment of new trustee otherwise than by will	2.43
Appraisement or valuation according to value of subject-matter	.72 to 4.8
Bills of exchange payable on demand	.02
Bills of exchange and promissory notes (except bank notes) negotiated in United Kingdom:	
Value not exceeding £5	.02
Value not exceeding £10	.04
Value not exceeding £25	.06
Value not exceeding £50	.12
Value not exceeding £75	.18
Value not exceeding £100	.24
Value exceeding £100; for every £100	.24
Bills of lading	.12
Bond—for every $25 periodically payable, if for life or indefinite period	.60
Bonds—by act of Parliament, customs, or inland revenue	1.20
Bond on obtaining letters of administration	1.20
Playing-cards, per pack	.06
Charter-party	.12
Contract note (for sale or purchase)	.02
Conveyance or transfer;	
Bank of England stock	1.88
East India Company's stock	7.29
*Debenturers or funded debt of any company, for every $486, or fraction of the nominal amount transferred	2.43

TABLE 6*b*.—*Stamp duties.*

Delivery order for goods, value above $9.73		$0.02
Dock warrant		.06
Grant or license to take and use a surname in compliance with any will or settlement		243.33
The same upon voluntary application		48.60
Grant of custody of person or estate of lunatic		9.60
Lease for less than a year (rent under $48.60)		.02
Legacies and successions:		
To children or their survivors or ancestors	per cent	1
To brother or sister or descendants	do	3
To uncle or aunt or descendants	do	4
To great uncle or aunt or descendants	do	6
To all other relations or strangers in blood	do	10
(Husband and wife exempt.)		

*This stamp duty has just been raised to the above amount from 60 cents. It will be observed that it is one-half of 1 per cent. of par value, a very heavy tax. Companies may compound by paying one-twentieth of 1 per cent. annually on capital stock.

Letter of allotment	$0.02
License for marriage:	
Special	24.33
Not special	2.43
Patent medicines (according to price)	.03 to 4.86
Gold plate	per ounce.. 4.13
Silver plate	do.... .36
Insurance policy, life (according to amount)	.02 to 2.43
Insurance, and for each 1,000	2.43
Proxy	.02
Receipts for 27 and upwards	.02

TABLE 6c.—*Stamp duties (bonds, conveyances, leases, and mortgages).*

Exceeding—	Not exceeding—	A.—Bonds or mortgages.	B.—Conveyances.	C.—Leases at rent only. No premium. Term not exceeding 35 years, or indefinite.*	D.—Term exceeding 35 years, but not exceeding 100.	E.—Term definite, but exceeding 100 years.
.....	$24.33	.....	$0.12	.....	Six times the amount in C column.	Twelve times the amount in C column.
$24.33	48.66	$0.06	.24	.....		
48.66	72.99	.....	.36	.....		
72.99	97.33	.....	.48	.....		
97.33	121.66	.16	.60	.....		
121.66	243.33	.30	1.22	.....		
243.33	364.98	.....	1.82	.....		
364.98	486.65	.60	2.43	.....		
486.65	608.31	.....	3.04	$3.65		
608.31	729.98	.91	3.65	.....		
729.98	851.63	.....	4.25	4.86		
851.63	973.30	1.22	4.86	.....		
973.30	1,094.96	.....	5.46	6.08		
1,094.96	1,216.63	1.52	6.08	.....		
1,216.63	1,338.28	.....	6.68	7.29		
1,338.28	1,459.95	1.82	7.29	.....		
1,459.95	1,703.28	.....	8.51	.....		
1,703.28	1,946.60	2.43	9.73	.....		
1,946,60	2,189.93	.....	10.95	.....		
2,189.93	2,433.25	2.92	12.16	.....		
2,433.25	2,676.58	.....	13,38	.....		
2,676.58	2,919.90	3.65	14.60	.....		
For each additional $485.65 or part of $485.65.		.60	1.22	.....		

* Same as for conveyances (Column B) except where otherwise stated.

TABLE 7.—*Income tax schedule.*

SCHEDULE A.—For and in respect of the property in all lands, tenements, hereditaments and heritages in the United Kingdom, and to be charged for every 20*s.* of the value thereof.

SCHEDULE B.—For and in respect of the occupation of all such lands, tenements, hereditaments, and heritages as aforesaid, and to be charged for every 20*s.* of the annual value thereof.

SCHEDULE C.—For and in respect of all profits arising from the interest, annuities, dividends, and shares of annuities payable to any person, body politic or corporative, company or society, whether corporative or not corporative, out of any public revenue, and to be charged for every 20*s.* of the annual amount thereof.

SCHEDULE D.—For and in respect of the annual profits or gains arising or accruing to any person residing in the United Kingdom from any kind of property whatever, whether situate in the United Kingdom or elsewhere, and for and in respect of the annual profits or gains arising to any person residing in the United Kingdom from any profession, trade, employment, or vocation, whether the same shall be respectively carried on in the United Kingdom or elsewhere, and to be charged for every 20*s.* of the annual amount of such profits and gains.

And for and in respect of the annual profits or gains arising or accruing to any person whatever, whether a subject of Her Majesty or not, although not resident within the United Kingdom, from any property whatever in the United Kingdom, or any profession, trade, employment, or vocation exercised within the United Kingdom, and to be charged for every 20*s.* of the annual amount of such profits and gains.

And for and in respect of all interest of money, annuities, and other annual profits and gains not charged by virtue of any other schedules contained in this act, and to be charged for every 20*s.* of the annual amount thereof.

SCHEDULE E.—For and in respect of every public office or employment of profit, and upon every annuity, pension, or stipend payable by Her Majesty or out of the public revenue of the United Kingdom, except annuities charged to the duties under the said schedule (C), and to be charged for every 20*s.* of the annual amount thereof.

TABLE 8.—*Gross amount of the annual value of profits and property assessed to the income tax under each schedule for the year ending April 5, 1885, United Kingdom.*

Under Schedule A. For all lands, tenements, tithes not commuted, manors, fines, etc..	$945,926,750
Under Schedule B. In respect of the occupation of land, tenements, and hereditaments.	317,457,397
Under Schedule C. For all profits arising from annuities, dividends, etc., payable out of the public revenues	199,592,879
Under Schedule D. For all gains arising from any profession or trade, railways, canals, mines, etc	1,423,572,284
Under Schedule E. For all public offices and pensions paid out of the public revenue and salaries, etc., of employés of corporate bodies	186,485,486
Total	3,073,034,796

TABLE 9.—*Gross amount of the annual value of property and profits assessed to the income tax upon various classes of property under schedules A and D in the year ending April 5, 1885.*

Land	$316,513,101	Gas-works	$24,467,676
Houses	625,143,324	Quarries	4,538,945
Mines	37,000,700	Other profits	26,017,121
Iron-works	11,023,882		
Railways	180,443,167	Total	1,242,393,795
Canals	17,255,879		

TABLE 10.—*Amount of the rates levied for the purpose of local expenditure in England and Wales only, in the year* 1883–'84.

Poor rates, exclusive of precept rates	$40,829,880
School-board rates	9,685,128
Metropolitan board of works	3,485,324
Vestries or district boards, exclusive of precept rates	7,814,392
Corporation and commissioners of sewers of the city of London, exclusive of precept rates.	1,328,325
Metropolitan police	3,113,348
Municipal borough, exclusive of precept rates	5,626,866
Urban sanitary authorities	32,742,970
Rural sanitary	1,403,483
Lighting and watching	111,185
County treasurers	7,365,204
Burial boards	694,722
Highway boards	9,093,970
Commissioners of sewage and drainage and embankment commissioners	1,330,467
Church rates	50,762
Baths	50,280
Total	124,726,806

TABLE 11.—*Gross estimated and ratable value of rental assessed to the poor rates for England and Wales, and amount received and expended for relief of the poor in England and Wales,* 1884–'85.

Gross estimated rental value of property assessed to the poor rate	$840,220,233
Ratable value of same	708,211,739
Total amount of poor rates received, including receipts in aid of poor rates	75,657,971
Expended in actual relief of the poor	40,800,000
Expended for other purposes, county and police rates, etc	34,857,971

TABLE 12.—*Summary of urban and rural financial transactions in England and Wales for the fiscal year* 1883–'84.

Local authorities.	Receipts from rates.	Total receipts, excluding loans.	Expenditure not defrayed out of loans.	Receipts from loans.	Expenditure out of loans.	Outstanding loans.
Urban, excluding London.						
Municipal corporations	$5,626,866	$12,610,065	$12,356,389	$1,914,967	$1,296,844	$25,423,515
Urban sanitary authorities	28,615,570	65,407,268	68,094,014	16,672,696	19,845,231	380,527,694
Commissioners of baths and washhouses	2,895	7,796	7,694			51,098
Harbor, pier, and dock authorities		11,885,375	11,799,534	3,403,961	3,618,383	130,321,589
Market and fairs commissioners		10,905	11,236			122,450
Port sanitary authorities		5,289	29,208	3,649	2,856	26,337
Total	34,245,331	89,926,698	92,298,075	21,995,273	24,763,314	536,472,683

TABLE 12.—*Summary of urban and rural financial transactions in England and Wales for the fiscal year* 1883-'84—Continued.

Local authorities.	Receipts from rates.	Total receipts, excluding loans.	Expenditure not defrayed out of loans.	Receipts from loans.	Expenditure out of loans.	Outstanding loans.
London.						
Poor law authorities	$10,857,653	$12,043,074	$11,899,171	$1,750,747	$1,360,775	$16,478,854
Metropolitan vestries and district boards, etc	7,814,392	9,022,792	9,293,146	979,140	894,394	10,461,549
Commissioners of sewers of the city of London	976,473	1,135,476	1,393,921	738,992	737,406	3,755,385
Metropolitan board of works	3,485,329	5,804,659	5,983,965	3,120,852	4,605,787	24,526,477
Commissioners of police of the metropolis	3,113,328	6,626,416	6,627,516	.....	.....	.....
Corporation of London	357,892	5,862,516	4,297,475	386,521	434,315	24,493,094
Burial boards	37,048	266,105	232,258	1,459	23,072	575,322
Church wardens (church rate)	26,780	29,554	30,780	.....	.....	64,724
School board	3,672,207	5,218,654	5,134,858	1,946,600	2,475,048	24,110,651
Commissioners of baths and washhouses	47,628	239,329	223,644	24,332	27,967	577,424
Markets and fairs commissioners	.....	57,721	20,308	.....	.....	.....
Total	30,388,730	46,306,296	45,137,042	8,948,643	10,558,764	165,043,480
Urban and rural.						
Poor law authorities (extra metropolitan)	29,945,949	34,131,840	34,130,448	1,011,151	1,111,213	13,490,351
Burial boards (extra metropolitan)	833,027	1,723,991	1,711,402	416,747	441,406	10,276,529
School boards (extra metropolitan)	6,012,920	11,397,600	11,250,593	3,098,228	3,185,922	42,397,069
Church wardens (church rate)	23,982	25,476	24,381	.....	.....	45,835
County authorities	9,289,807	13,953,262	12,303,271	1,831,536	1,591,612	17,116,745
Commissioners of sewers	302,126	313,753	320,858	97,349	79,873	407,622
Drainage, embankment, and conservancy boards	1,028,340	1,403,975	1,464,300	506,184	419,648	8,723,527
Bridge and ferry trustees	.....	47,263	38,678	.....	.....	175,636
Turnpike trustees	.....	469,330	509,493	.....	.....	1,012,295
Total	47,436,151	63,466,490	61,753,424	6,961,195	6,829,774	93,648,606
Rural.						
Highway authorities	7,798,829	8,624,129	10,107,000	9,003	31,695	201,706
Rural sanitary authorities	1,361,783	1,758,981	1,692,111	716,163	764,682	7,021,731
Inspectors under the lighting and watching act, 2 and 3 Will., 4 c., 90	111,185	112,518	112,674	.....	.....	.....
Total	9,271,797	10,495,628	11,911,785	725,166	796,377	7,223,437
Grand total	121,342,009	210,195,112	211,100,326	38,630,277	42,948,229	802,388,209

TABLE 13.—*Showing the amounts outstanding in respect to the principal purposes for which loans have been raised by local governments in England and Wales.*

Water-works	$140,050,229
Harbors, docks, and piers	132,159,295
Sewerage and sewage disposal	71,967,748
Highways, street improvement, and turnpike roads	71,087,165
Schools	66,925,349
Gas-works	65,538,133
Poor-law purposes	29,779,690
Markets	23,543,586
Artisans and laborers' dwellings, improvement schemes	17,179,373
Public buildings, offices, etc	15,438,523
Lunatic asylums	15,333,952
Bridges	11,616,671
Cemeteries and burial-grounds	11,071,832
Land drainage, embankment, and river conservancy	9,131,150
Parks, pleasure-grounds, commons, and open spaces	7,895,555
Tramways	3,831,320
Private improvement works	3,751,371
Police stations and jails	3,529,400
Total	699,830,342

LEEDS.

TAXATION, MUNICIPAL AND STATE.

BY F. H. WIGFALL, CONSUL AT LEEDS.

It may be premised that the borough of Leeds is a parliamentary division and a separate municipality, situated in the West Riding of Yorkshire, of which it is the most important town. Leeds elects five members of Parliament, and is municipally governed by a mayor and town council. The latter consists of sixteen aldermen and forty-eight councilors, and the mayor is selected from this body.

The aldermen are elected by the councilors, and hold office for terms of six years. The councilors are elected for terms of three years, election being by the rate-payers of the borough. The borough comprises sixteen wards, each ward having one alderman and three councilors. Residence in the ward is not required of its representatives. Aldermen and councilors sit and vote together as one body, presided over by the mayor. Half of the aldermen retire from office every three years, and one-third of the councilors retire annually. They are all, however, eligible for re-election. The mayor, being one of the town council, is elected to the mayoralty by the council, and retires annually, but is re-eligible. Usually two terms in succession limit the service of the mayor as such. This ceasing to be mayor does not necessitate withdrawal from the council.

For purposes of local taxation, Leeds is divided into townships, eleven in number. It is also apportioned into or attached in part to four poor-law unions. The limits of townships are coincident with those of the unions to which they belong, but the boundaries of the unions and those of the borough do not always coincide.

Local taxes are technically designated rates. A further general distinction exists between rates levied for the relief of the poor and those for municipal purposes. The former are known as poor-rates; the latter by different names, indicating more or less exactly the objects to which they are to be applied, as highway-rate, lamp-rate, etc. The poor-rates are collected and disbursed by the poor-law authorities, as hereinafter set forth.

The municipal rates are collected, as regards the one known as the borough rate, through the poor-law officials, and as regards the remainder through the corporation agencies direct.

The poor-law authorities consist of the board of guardians, the overseers of the poor, and the assistant overseers, supplemented by collectors of poor-rates. They are all separate from and independent of the municipality.

The board of guardians is composed in each union of members part of whom hold *ex officio* and part of whom are elected by the rate-payers of the union.

The overseers receive their appointments from the bench of magistrates.

The assistant overseers, as regards ten of the eleven townships, are elected by the rate-payers. In the township of Leeds, however, the board of overseers is a corporate body acting under seal, and appoints its own assistant overseer and collectors.

It may be stated generally that collectors, where employed, are subordinate to the assistant overseer, and that these act together under the instructions of the overseer in the collection of the poor-rates.

HOW THE POOR RATES ARE COLLECTED.

The method of collecting the poor-rates may be briefly summarized, as follows:

A precept for their levy is issued by the board of guardians and addressed to the overseers. By them the amount is assessed to the rate-payers and collected by the assistant overseer of each township, with the help or substitution, as the case may be, of the poor-rate collectors.

The poor-rate, as collected, is deposited with bankers designated by the overseers, and by them, in such amounts as may be called for under precept by the guardians, is turned over to bankers indicated by the guardians, and disbursed under direction of the last-named authority.

The poor-law unions are composed of a certain number of divisions, say of townships; but, as already mentioned, the unions are not themselves always coterminous with the borough. The unions take their designation as such from having been formed by the union of several parishes, in order to distribute more equally the burden of relieving the poor.

The methods of assessment of different rates vary with the rates; but it may be said in general terms that all rates are assessed upon the estimated annual rental value of real estate, including under this head power for manufacturing purposes. No other species of property than these is liable for local taxes.

Unoccupied buildings, whether houses, mills, or others, pay no rates, except the main sewer-rate in those divisions where that rate applies.

The municipal rates comprise the following: (1) Borough rate, covering general corporation expenses for the entire borough, including police, etc. This rate covers also the sum levied for the support of public or, as they are called in England, board schools. (2) Improvement rate, covering expenses of sanitary department, public parks and buildings, fire department, etc. (3) Highway rate, covering expenses for maintaining streets. (4) Lamp rate, covering expenses of lighting streets. (5) Main-sewer rate, covering certain expenses connected with main-sewer construction and operation in, 1st, Leeds, Hunslet, and Holbeck townships; 2d, St. John's district, Wortley township.

BOROUGH RATES.

Borough rate is uniform throughout the borough, and is collected, like the poor rate, through the overseers, they being notified by the town council of the amount required. As already indicated, the borough rate includes the sum for which requisition is made on the town council by the school board for board-school purposes. It may be added here that the school board is a separate body, elected by the rate-payers, and having supervision and control of the State-established or board schools. Further, grants in aid of board schools are received by the school board from imperial taxes through the education department of the Imperial Government, the amounts being regulated according to the standard of proficiency attained by pupils and the number of pupils in attendance. As regards the imperial grants, aid therefrom is contributed also to voluntary schools under certain conditions of inspection, and so forth; the board schools alone, however, receiving support from the rates.

Highway and lamp rates are levied and collected by the borough authorities direct. They are uniform throughout the borough.

Improvement rate is levied and collected by borough authorities

direct throughout the borough, but varies in amount in the different townships according to their requirements and ratable values.

Main-sewer rate is levied and collected by borough authorities direct, but is limited to the townships of Leeds, Hunslet, and Holbeck, in which it is uniform, and the St. John's district of Wortley township, which is assessed for a separate main-sewer rate of its own.

Sources of borough revenue are as follows: Rates, viz, borough, improvement, highway, lamp, and main sewer; grant in aid of police maintenance made from imperial taxes through Her Majesty's treasury; grants in aid of the administration of justice made from imperial taxes through Her Majesty's treasury; fines and fees from borough police court; rents, licenses, services, sales, etc.

It may be mentioned that the jail of the borough is supported by the Imperial Government.

The borough is supplied with gas from gas-works owned and operated by the corporation of the borough, and rents for gas consumed are paid by individual householders direct to the corporation.

Water is supplied by water-works owned and operated by the borough and supported from charges for individual consumption. Houses of £10 and less annual rental are required to be compounded for by the landlord.

Following this general view, a few further details relative to the imposition and collection of the rates may be of interest.

HOW THE RATES ARE ESTIMATED.

Poor rate and borough rate are laid on estimated value of gross annual rental, with deduction therefrom of one-sixth for maintenance; *i. e.*, by way of allowance for insurance, repairs, etc. In some cases on mill property this allowance is increased to one-fourth. For poor rate and borough rate, houses of £8 or under, ratable value, *i. e.*, annual rental, less deduction as above, may be compounded for by the landlord, who undertakes to pay these rates on his houses whether they are rented or not, and is allowed deduction on basis of assessment of one-fourth in consideration therefor.

Highway rate is laid in same way as poor rate and borough rate with reference to basis, but composition by landlord is imperative up to £6 annual ratable value.

Main-sewer improvement and lamp rates are laid in same way as highway rate with reference to basis and composition; but on the area of land (exclusive of that covered with buildings) occupied by railways, canals, reservoirs, nursery and market gardens, and on agricultural and wood-land, an allowance of 75 per cent. is permitted in respect of these rates. Furthermore, where property is more than 250 yards distant from the nearest lamp the lamp rate is pretermitted thereon altogether.

Mills, furnaces, factories, etc., rented with power included, are valued by rental. Similar structures, rented or held without power supplied by a landlord, are valued as ordinary leaseholds or freeholds, and the power provided by the occupier is rated additionally at about £4 per nominal horse-power per annum. Machinery other than that for generating power is not rated at all.

Example of taxes on occupied house in borough of Leeds, union of Leeds, and township of Leeds, used as a dwelling-house; house, estimated by overseers, worth annual rental of £60, deducting allowance of one-sixth for maintenance, *i. e.*, insurance and repairs, gives ratable value £50: Poor rate, 1*s.* 5*d.* in the pound = 1*s.* 5*d.* × 50 = £3 10*s.* 10*d.*;

approximately 6 per cent. on actual estimated rental. Municipal rates, as per accompanying table, 5*s.* 2½*d.* in the pound = 5*s.* 2½*d.* × 50 = £13 0*d.* 5*s.*; approximately 21⅜ per cent. on actual rental as estimated. Total local taxes: 6*s.* 7½*d.* in the pound = 6*s.* 7½*d.* × 50 = £16 11*s.* 3*d.*; approximately 27⅜ per cent. on estimated actual rental. This amount would be paid altogether by the occupier of the house, whether occupying as owner or as tenant.

The following is a table of rates for 1887–'88.

Rates levied by the town council of the borough of Leeds from May 4, 1887, *to May* 4, 1888.

	Main sewer.	Lamp.	Improvement.	Highway.	Total rates collected by the corporation.	Borough rate collected by the overseers.*	Total rates levied.
	s. *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*	*s.* *d.*
Leeds	0 5	0 3½	1 10	0 9	3 3½	1 11	5 2½
Hunslet	0 5	0 3½	1 8	0 9	2 ⅝	1 11	4 7½
Holbeck	0 5	0 3½	1 7	0 9	3 0½	1 11	4 11½
Wortley	0 3	0 3½	2 0	0 9	3 3½	1 11	5 2½
Armley	0 0	0 3½	2 0	0 9	3 0½	1 11	4 11½
Beeston	0 0	0 3½	1 2	0 9	2 2½	1 11	4 1½
Bramley	0 0	0 3½	2 0	0 9	3 0½	1 11	4 11½
Chapel-Allerton	0 0	0 3½	2 5	0 9	3 5½	1 11	5 4½
Headingly	0 0	0 3½	1 10	0 9	2 10½	1 11	4 9½
Potternewton	0 0	0 3½	2 3	0 9	3 3½	1 11	5 2½
Farnley	0 0	0 3½	1 1	0 9	2 1½	1 11	4 0½

* The borough rate includes *s.* 0½*d.* in the pound sterling for school-board purposes.

Imperial taxes on such a house would be as follows:

Whether owning the house or hiring it the occupier would be liable for inhabited-house duty at the rate of 9*d.* in the pound, to be paid on the estimated actual rental, without allowance, viz, £60 = £2 5*s.* 0*d.*, being 3¾ per cent. on the estimated actual rental.

Accordingly, on such a house, there would be paid as and by the occupier for local and imperial taxes a total of £18 16*s.* 3*d.*, or approximately 31½ per cent. on actual rental as estimated.

Additionally, there would be an imperial tax of 7*d.* in the pound paid by the owner of the house, whether occupying or renting it to another, as income tax, with respect to the revenue derived from its ownership, say, 7*d.* in the pound of estimated gross rental, £60, or £1 15*s.* 0*d.*; being approximately 3 per cent. on estimated actual rental, which will perhaps appear more clearly from the following tabulation:

Estimated gross rental								£60, gives taxable value,	£60	
Deducting one-sixth								10, gives ratable value,	50	
	s. *d.*		*s.* *d.*		£	*s.*	*d.*			
Poor-rate	1 5	in the £ —	1 5	× 50 =	3	10	10	approximately	6	p. ct. estimated rental.
Municipal	5 2½	in the £ —	5 2½	× 50 =	13	0	5	approximately	21⅜	p. ct. estimated rental.
Total local	6 7½	in the £ —	6 7½	× 50 =	16	11	3	approximately	27⅜	p. ct. estimated rental.
Inhabited-house duty	9	in the £ —	9	× 60 =	2	5	0	approximately	3¾	p. ct. estimated rental.
Total local and imperial paid by occupier					18	16	3	approximately	31½	p. ct. estimated rental.
Imperial income tax, 7*d.* in pound, paid by owner					1	15	0	approximately	3	p. ct. estimated rental.

It will of course be borne in mind that these assessments of annual rental for purposes of taxation, whether local or imperial, are assessments only. No means exist by which absolute accuracy is attainable, and in many instances it is probable that the gross amount of the assessment is considerably less than the actual rental.

This element of error would naturally be difficult to define. In some cases it might extend to one-fourth of the annual value, or even more; in others a much closer approximation might be had.

Speaking generally, it may be said, if unoccupied, such a house as we have been considering would pay no local taxes whatever, unless situated in main-sewer rate districts, when that rate only would be payable; and no imperial taxes would be payable on an unoccupied house in respect of the house. But if the house had land attached, rates would be levied on the land as apart from the house, whether the latter was occupied or unoccupied. And land attached to a house, whether the house was occupied or unoccupied, would be subject to imperial taxation, based on estimated annual rental value of the land, under the head of income and property tax and additionally for land tax, as hereafter to be explained. And waste land, uninclosed and bringing in no revenue, would not be rated; nor would such land pay imperial taxes; it of course being always understood that the absence of income from such waste land was an unavoidable defect and not voluntary on the part of the owner.

In comparing municipal taxes of Leeds with those of other English boroughs it may be remembered that in the case of some corporations the profit on the supply of gas is employed in relief of rates, resulting in a consequent reduction thereof. The unusually low price at which gas is supplied to consumers in the borough of Leeds, however, viz, 1*s.* 10*d.* per thousand, less 5 per cent. for prompt payment, combined with the decline in the value of residuals, has brought about a deficit in the gas-works account instead of a profit, as previously was the case. It will be fair, therefore, to set lower gas against higher rates whenever such conditions shall appear.

INCOME AND EXPENDITURE OF THE BOROUGH OF LEEDS.

The following is a statement as to the income and expenditure of the borough on revenue account from March 26, 1886, to March 25, 1887, inclusive:

Account.		Income.	Expenditure.
		£ *s.* *d.*	£ *s.* *d.*
Borough quarter sessions		821 14 2	1,250 15 3
Borough hospital		11 17 4	211 2 0
Borough fund (water-works account)			7,300 7 0
Burial grounds		2,879 6 6	1,728 1 5
Constabulary		18,037 4 9	37,510 16 8
Cleansing ashpits		76 0 0	12,477 0 9
Destructors		474 6 9	2,002 1 8
Fever hospital		167 2 6	3,098 18 11
Free Public Library		676 19 7	4,919 7 10
Fire brigade		369 10 5	746 18 6
Gas-works		198,337 16 5	201,815 12 1
Highways			45,196 17 9
Hunslet Moor		190 12 9	224 14 4
Interest on debt:			
Borough fund account	£7,186 8*s.* 5*d.*		7,186 8 5
Gas-works account	35,923 19 7		
Highways account	2,146 4 10		
Improvement account	40,348 8 3		40,348 8 3
Main sewer account	10,603 1 4		
Roundbay Park account	5,250 0 0		
Water-works account	54,447 3 10		
Total amount of interest	155,905 6 3		
Judges' lodgings		145 0 0	466 11 3
Lamp		170 17 0	8,764 5 7
Markets		16,789 4 8	4,819 18 8
Main sewer		4,439 1 0	19,757 18 0
Miscellaneous		5,002 7 10	13,559 9 0
Municipal offices		3 0	1,862 5 3
Parliamentary registration and municipal elections		483 12 6	1,667 10 6
Police superannuation fund		2,202 5 8	2,400 3 6
Recreation grounds (exclusive of Roundbay Park and Hunslet Moor)		392 19 3	953 0 5

Account.	Income.	Expenditure.
	£ s. d.	£ s. d.
Reformatories, etc	70 0 0	750 15 6
Roundbay Park	2,499 10 3	6,909 14 4
Salaries and allowances (borough fund account)	4,360 1 11	9,293 5 4
Sanitary	175 12 0	5,009 3 1
Scavenging	815 19 9	11,130 10 9
Sewage works (contributions of townships)		4,134 11 4
School board		56,301 0 0
Town hall	675 19 7	3,879 19 0
Trough closets (cleansing)		1,850 1 4
Water-works	83,713 12 10	68,803 17 9
Watering streets		1,399 14 0
West Riding assizes	552 2 2	613 3 2
West Riding (contribution to county rate)		11,434 19 4
Rates	276,196 9 7	
Sinking fund account:		
Borough fund account		1,365 19 3
Gas-works account		8,376 9 11
Highways account		37 1 5
Improvement account		10,432 0 0
Main sewer account		2,533 2 3
Roundbay Park account		1,145 1 1
Water-works account		12,806 17 7
Private improvement works	19,940 8 6	21,590 6 7
Total	641,567 18 8	660,186 6 0

Additionally, I understand, there has been received as interest from investments £7,525 11*s.* 1*d.*, which amount has been expended by applying it to the sinking fund.

In the foregoing statement of income and expenditure of the borough on revenue account, for which, as for much other valuable assistance, I am indebted to Mr. Derry, the accountant of the borough, the items of the interest account which are not extended to the expenditure column are included in that column with the items set opposite the respective accounts, as gas-works, highways, etc. Additionally, it may be stated that the gas-works financial year is the calendar year, and not, as in case of the other accounts, that ending March 25.

I annex here an approximate summary which I have collated from the itemized statements in the published accounts of the borough for the same period. It is given as an approximation only, and in order to afford a general view of the source and direction of income and outgo on revenue account.

INCOME.

Items.	Amount.	Items.	Amount.
	£ s. d.		£ s. d.
Imperial grants	18,747 5 7	Rents, services, sales, etc.—Con'd.	
Rents, services, sales, etc.:		Lamp-rate account	131 16 3
Gas-works account	198,337 16 5	Rates:	
Water-works account	83,713 12 10	Borough rate	112,858 14 0
Borough fund account	7,907 8 5	Improvement rate	95,318 19 1½
Borough of Leeds rate account	4,298 9 11	Highways rate	41,057 0 0
Townships rate account	22,700 15 11	Lamp rate	8,631 12 6
Private improvement account	18,930 17 10	Main-sewer rate	18,330 3 11½
Main-sewer rate account	269 0 6	Total net income	631,233 13 3

EXPENDITURE.

Salaries, office expenses, etc	17,018 15 2	Sanitary department	37,238 12 6
Police, reformatories, etc	37,960 18 2	Sewage-works	4,258 3 7
Courts and elections	3,531 8 11	Gas-works	165,108 15 8
County expenses	11,434 19 4	Water-works	14,864 5 1
Public buildings, recreation grounds, etc	30,182 2 2	Streets	69,247 8 1
School board	56,301 0 0	Miscellaneous	15,111 8 5
Interest and sinking-fund, net	182,974 19 0	Total net expenditure	645,979 14 7
Fire brigade	746 18 6		

Receipts and expenditure of the borough of Leeds on capital account from the 26th March 1886, to the 25th March, 1887.

Items.	Receipts.	Expenditure.
	£ s. d.	£ s. d.
Drainage		23,194 17 0
Electric lighting		798 9 0
Fever hospital (revenue account)	400 0 0	1,929 11 11
Fine art gallery building account		43 5 4
Fire brigade		312 2 5
Gas-works		13,636 14 11
Highways		24,317 12 4
Hunslet moor		214 17 11
Loans	94,630 15 4	
Markets		6,706 5 11
Miscellaneous		49 11 5
Monkbridge		5,316 1 2
Municipal offices		511 8 10
Public conveniences		157 0 0
Recreation grounds		19,056 4 3
Reformatory schools (revenue account)	300 0 0	70 3 4
Roundhay Park		43 4 9
Scavenging plant		248 17 5
Sewering estates		2,973 12 2
Street improvements, etc		8,607 13 8
Town hall		51 6 0
Water-works		9,773 1 0
	95,330 15 4	118,012 0 9

From the annexed statement it appears that the securities of the corporation issued and outstanding March 25, 1887, amounted to £4,307,191 2*d.*, against which were to be placed investment in sinking fund, £175,450; advances to Leeds school board, £102,926 16*s.* 10*d.*; amount of unexpended capital, £137,396 5*d.*; total, £415,772 17*s.* 3*d.*; leaving net balance to be reckoned with, £3,891,418 2*s.* 11*d.*; received from other sources, £915,054 4*s.*; total, £4,806,472 6*s.* 11*d.* Accounted for as expended on capital account for public buildings, grounds, streets, sewers, gas-works, water-works, etc., to March 25, 1887, £4,806,472 6*s.* 11*d.*

Summary of capital accounts, borough of Leeds, March 25, 1887.

	£ d.		£ s. d.	£ s. d.
To debt of the borough	4,307,191 2	By amount expended on town hall, municipal offices, police stations, recreation grounds, etc.		352,025 7 10
To balance, being reduction of debt by sinking-fund operations, etc	915,054 4 0	By amount expended on improvement works, Roundhay Park, etc.		1,333,496 19 5
		By amount expended on sewering, drainage, etc		458,595 11 4
		By amount expended on highways, account		73,923 3 11
		By amount expended on gas-works		1,039,358 1 7
		By amount expended on water-works account		1,549,073 2 10
				4,806,472 11
		By amount invested on sinking found account	175,450	
		By amount advanced to the Leeds school board, to be repaid by instalments	102,926 16 10	
		By amount of unexpended capital	137,396 0 5	
				415,772 17 3
	5,222,245 4 2			5,222,245 4 2

THE POWER TO BORROW.

At that date the borrowing powers of the corporation were unexhausted to the extent indicated below. By borrowing powers is meant the authorization within certain limits given by act of Parliament to the borough corporation to pledge the credit of the borough in order to raise money for specified objects.

Borrowing powers unexhausted to the following extent, namely:

	£	s.	d.
In respect of the gas-works undertaking	217,987	2	5
In respect of the water-works undertaking	28,040	7	2
In respect of the borough fund account	.....	..	..
In respect of the improvement account	188,880	17	11
In respect of the highways account	4,464	9	1
Total	439,372	16	7

In every instance in which the corporation uses the power to borrow conferred by Parliament it is required that each year such amounts shall be invested as will suffice, with accruing interest, to cancel the created indebtedness within a given term. These investments may be made in certain specified securities only; and in event that such investments fail to produce a sufficient interest increase, further recourse must be had in last resort to the rates.

IMPERIAL REVENUE OF GREAT BRITAIN.

This revenue is derived generally from the sources indicated below; stated here in the order of amounts realized from them, respectively, during the year ending March 31, 1886, and itemized approximately as follows:

Excise:		
Beer	£8,403,580	
Spirits	13,140,694	
Railways	337,499	
Other	6,525	
Licenses:		
Beer and cider	186,547	
Brewers	36,140	
Distillers and rectifiers	4,166	
Spirit dealers	119,669	
Publicans and grocers	1,474,381	
Wines	67,934	
Other	1,664,787	
		£25,441,922
Customs:		
Tobacco, etc	9,298,989	
Beer	8,911	
Spirits	4,153,871	
Wine	1,194,654	
Tea	4,187,254	
Coffee, chickory, and cocoa	339,478	
Fruits	497,789	
Other	41,356	
		19,722,302
Income and property tax:		
Schedule A. Lands, tenements, etc	5,101,442	
Schedule B. Occupation of farms, etc	399,137	
Schedule C. Annuities, dividends, etc	1,322,274	
Schedule D. Trades, professions, etc	7,502,109	
Schedule E. Public offices, etc	922,350	
		15,247,312

Stamps:		
Death duties	£4,106,644	
Legacy	2,474,722	
Succession	858,240	
Deeds	1,800,000	
Bills of exchange	653,354	
Receipts, etc	963,260	
Insurances	174,907	
Other	569,487	
		£11,600,614
Post-office		8,162,651
Miscellaneous		3,019,453
Inhabited house duty		1,867,377
Telegraph		1,745,056
Interest on advances for local works and Suez Canal		1,376,080
Land tax		1,023,196
Crown lands		477,820
		89,683,783

Most of the items mentioned explain themselves.

The excise tax on railways is upon the receipts for passenger traffic outside of London, subject to an exemption in respect of third-class fares, and is laid at the rate of 5 per cent. on the gross receipts.

Home-made spirits pay excise 10 shillings per proof gallon. Spirits made in Channel Islands pay 10*s.* 4*d.* per proof gallon.

Publicans' licenses for sale of spirits, beer, and wine, to be consumed on the premises where sold, range from £4 10*s.* where annual rental value is under £10 to £60 for annual rental value of £700 or upward.

The revenue from customs may be said to be derived almost entirely from the four articles of tobacco, tea, spirits, and wine, these producing nearly nineteen millions sterling out of less than nineteen and three-quarter millions.

The figures given under the heading property and income tax arise as follows: Schedule A, land tenements, etc., 8*d.* in the pound on annual value; schedule B, occupation of farms, etc., 8*d.* in the pound on half annual value; schedules C, D, and E, other sources, 8*d.* in the pound on annual value.

All are subject to the following exemptions, with perhaps some minor variations as to Scotland and Ireland and otherwise: Incomes less than £150 are exempt; incomes less than £400 have exemption of first £120; incomes more than £150 and less than £400 have additional exemption of one-sixth of total income where such amount is expended as premium on life insurance.

Under the financial estimate for 1887–'88 the income tax is reduced 1*d.*, being laid at 7*d.* in lieu of 8*d.*, as above.

Income and property tax comprise one tax only. It is termed property tax when levied on income derived from real estate, and income tax when the income tax arises from other sources.

Legacy and succession duties range from 1 per cent. for lineal descendants or ancestors to 10 per cent. for strangers in blood or remote relations. Husband or wife are exempt.

Inhabited house duty is a tax upon the occupier, imposed in 1851 in lieu of the old window duty, and is graduated according to the annual rental value of premises occupied residentially. It is assessed at 9*d.* on dwelling-houses, and at 6*d.* on shops used also as dwellings, and on all houses whose annual value is £20 or over. In 1878–'79 about 1,000,000 houses were assessed for it out of 5,475,564 in Great Britain at that date.

Land tax is to be distinguished from income and property tax. It is quite a separate tax, and to raise it each parish is assessed for its quota

as fixed in 1798. This quota is the equivalent of a levy of 4*s.* in the pound on the valuation of the land in 1692, and is accordingly a fixed sum for each parish less amount of subsequent redemptions. Redemption is accomplished by payment into the imperial treasury of an amount such as, if invested in the public funds, would produce by way of interest a sum equivalent to the tax on the property redeemed. The quota of each parish is raised by an equal levy on property still subject to the tax of so much in the pound of annual present rental value as shall be necessary to produce the gross amount required.

Land tax in 1880–'81 yielded about £1,075,000. If it had been levied at the original estimate of 4*d.* in the pound sterling on the 1880–'81 valuation, it is reckoned that it would have produced something like sixteen or eighteen times as much. In like manner, based on the modern valuation, it is estimated to be equivalent to a levy varying as to locality from ½*d.* to about 6*d.* in the pound sterling.

Post-office receipts are not wholly for mail service, the post-office selling other stamps and licenses as well.

Part of the interest item, namely, that drawn from advances for local works, would of course be derived from taxes, but from local taxes, not imperial.

With reference to the probate legacy and succession duties, it is observed that these do not affect corporations holding real estate. These taxes are levied, as to real estate, on estimated capital value of a life interest, and not on the fee-simple. Exemption also applies to a limited extent.

For purposes of imperial taxation, where real estate is encumbered by way of mortgage and the mortgage charges absorb the income, no tax is paid by the owner as to his ownership, but he is assessed to the extent of the income derived from the estate, and is permitted to deduct the amount so paid from the interest amount when due from him to the mortgagee. In event that mortgage charges absorb part only of the income, a similar rule obtains as regards the part so absorbed, and the balance of income is reckoned with separately. Ground rents on leasehold estates are also taken into account for deduction in respect of income tax.

Twenty-one years purchase is an average standard by which to estimate in capitalizing the value of property on the basis of the gross annual rental, an estate renting for £1,000 per annum, for example, being estimated worth £21,000 in fee. This ratio would no doubt, however, be in many instances too high, particularly on cottage or mill property. The rental on the former, or small houses let to laboring men, generally includes gas and water rents, as well as that of the house itself, in the sum paid to the landlord.

Direct taxes may be defined to be such as are laid on values permanently in possession, and, as incident to their permanence, inherently attaching to these values and following their transfer, if or when they are transferred, and renewed at stated intervals.

Indirect taxes are correlative to the direct. They are laid on values temporarily in possession, and as incident to the temporary character of the possession, not inherently attaching to the values themselves, nor following their transfer, if or when they are transferred, except in respect of their added cost to the second and subsequent owners, and imposed but once.

The third source of revenue to Government arises from what may be included under the head of rents or services, in which a certain sum is received for a certain benefit rendered.

In general terms the direct taxation of the Imperial Government may be said to be comprised within these four impositions, to wit: Income and property tax; inhabited house duty; land tax; and excise in shape of licenses. Values once permanently in hand and held without transfer of the commodities or privileges representing them would be attacked by the tax gatherer under one or more of these heads only.

The indirect imperial taxes show under the terms of excise, customs, and stamps, not including those for service rendered.

Other sources of imperial revenue are from post-office and telegraph, interest on advances for sundry purposes, local or otherwise, crown lands and miscellaneous; the latter being mainly made up of contributions from India and the colonies; receipts from civil or state department, revenue or treasury; military and naval departments, profits on post-office savings banks, etc.

These three divisions may perhaps be roughly reckoned to contribute to the imperial revenue in somewhat the following proportions: Direct 30 per cent., indirect 55 per cent., other 15 per cent. Land, whether agricultural or pastoral, pays local taxes on basis of estimated annual rental, as already indicated. Buildings, whether residential or used for trade purposes, pay local taxes on same basis as land, viz, that of estimated annual rental.

Unproductive real property pays no local taxes.

Evidences of debt, whether as public securities, home or foreign, or as private securities, corporation or individual, home or foreign, pay no local taxes.

Cash in hand pays no local taxes, and no local taxes fall upon personal property, such as furniture, jewelery, plate, etc., live-stock, carriages, carts, agricultural implements, etc.

For imperial purposes land is subject to income tax and to land tax as already described.

Regarded imperially, buildings used as residences pay inhabited house duty if of £20 or more annual value; used for trade purposes alone buildings fall under the income tax.

Evidences of debt pay imperial income tax when producing income.

Cash in hand pays no imperial tax.

Personal property, as above, pays no direct imperial tax except in shape of licenses, as for carriages used for pleasure.

Corresponding to the statement of imperial revenue which has been given, the following amounts are presented as representing the chief items of expenditure:

For the debt	£23,449,678
Interest, etc., on loans not forming part of the permanent charge	678,319
Army and navy	39,538,593
Civil services	17,725,763
Civil list and consolidated fund	1,638,376
Costs of collection:	
Customs (19,723,000)	955,452
Inland revenues (25,442,000)	1,796,211
Post-office (8,163,000)	4,793,744
Telegraphs (1,745,000)	1,745,000
Packet service	731,014
	93,052,150

The amount of the imperial debt is given for 1886 as follows:

Funded	£638,849,694
Unfunded	17,602,800
Annuities, capitalized as 3 per cent. stock	85,829,917
	732,282,411

With regard to the inland-revenue department some interesting facts have been recently made public by Sir Algernon West, the chairman of the board. Up to within something like twenty years ago the only means of entrance into the civil service here was through political or social influence; while now it is open to public competition. It is stated on this very high authority that "every position in it, be it high or low, is absolutely open to the best men." The result seems to have been satisfactory. The income tax, which is the chief source of revenue as regards direct taxation, gives evidence of very thorough organization in its machinery; while at the same time it serves to indicate the great material progress making by Great Britain within the last few decades. In 1843 the estimated produce of the income tax was £750,000 for every penny of assessment in the pound. Now every penny is reckoned to bring in close upon £2,000,000 sterling. In 1843 this tax was collected from a population of 18,500,000 in England, Scotland, and Wales, and the number of cases where repayments had to be made was in that year 70,000. The last levy was from a population of 35,000,000 in England, Scotland, Wales, and Ireland, and the repayments amounted to 149,000. This tax is collected by the inland-revenue officials or by parochial collectors appointed by the local commissioners. In Scotland the work is done entirely by the inland-revenue officers, and 95 per cent. of the amount due is paid into the exchequer by the middle of February.

Adhesive stamps were first used in 1840, when, as is well known, they were introduced at the suggestion of Sir Rowland Hill as a means of charging postage on letters. In that year the value of the stamps manufactured and issued by the commissioners of stamps was about £450,000. Last year the value manufactured and issued from the office of the controller of stamps amounted to a total of £12,000,000, and if to this is added the value of the post cards, postal orders, stamped envelopes, and so on that were dispatched from Somerset House (the central bureau of the inland revenue) the enormous figure of £25,000,000 is reached. Fifty years ago stamps, at that time all being impressed stamps, were dispatched to but 700 centers throughout the United Kingdom; now they go to as many as 8,500 centers, of which some 8,000 are post-offices.

In 1847 two boards were responsible for the collection of the revenue from stamps, taxes, and excise, and under their joint authority they produced an annual income of £33,000,000. To effect this they employed 5,500 officers at a total cost of 4½ per cent. At the present time the same number of officers are employed to bring into the exchequer an income of nearly £56,000,000 at a cost of 3½ per cent.; the result showing an increase of revenue of £23,000,000, and a decrease in the proportionate cost of collection as between 4½ per cent. and 3½ per cent. In 1850 the percentage of pensions to salaries was 25¼ per cent. and it is now only 14½ per cent. The average salary of all grades in the service was in 1847 £141, which has risen at the present time to £200, or an increase of over 40 per cent. The highest salary paid in the inland-revenue department is £2,000, and in the customs department £2,750. The principle in this connection is said to have been laid down by a late financial secretary to the treasury that it should be the aim of every civil-service reformer to make one man do the work of three with the salary of two; in other words to double his pay and triple his effectiveness. It is not hinted that the discipline of the department has been too slack, but in 1886 dismissals from all causes were only 20 compared with 116 in 1838.

The commissioners of inland revenue now control the undermentioned

taxes: Duties of the old excise proper; income and property tax; stamps—post-office and others, including probate, legacy, and succession duties, in addition to collection by stamps of many court fees; inhabited-house duty; tax on railway earnings; land tax.

In 1880–'81 customs service cost £992,473, about 5 per cent. on sum handed over to exchequer.

For the same period the inland-revenue department cost £1,858,000, or about 3⅔ per cent. on similar basis of estimate.

The tendency of English financial policy for the past forty or fifty years is said to have been in the direction mainly of narrowing the basis from which the national revenues are drawn. Hence a larger recourse to direct taxation as compared with the immediately preceding period, substituting income and property taxes for imposts on articles of consumption. It is stated that a free-trade policy in England "meant and means a return to taxes upon realized wealth in some shape, and compels statesmen, whether they like it or not, to find ways of increasing the burdens of the rich proportionally as they reduce those of the poor."

The bulk of the revenue, however, would appear to be still drawn from indirect taxes, *i. e.*, speaking generally, from customs and excise, these having been estimated for 1880–'81 as representing about nine-fourteenths of the entire revenue received from taxes. And probably somewhat the same proportion now obtains.

It has been reckoned that an ounce of tobacco, at 3*d.*, would cost less than 1*d.* but for the duty, and that the masses who smoke the 3*d.* tobacco pay 400 per cent. tax on it, while the man who buys cigars pays but 15 to 50 per cent. So, too, beer and spirits are said to pay a far higher percentage than wine. On light French wines the estimate has been placed at about 25 per cent. at most; while on spirits up to 200 per cent. on manufacturer's price is spoken of, and with publican's charges, perhaps 300 per cent. Ordinary beer is called at least 100 per cent.

Excise and customs revenue from drink, exclusive of licenses, but including the wine duties, amounts for 1885–'86 to about 36 per cent. of the whole income from taxation. In 1880–'81 it was reckoned at about 38 per cent.

It may be estimated that imperial taxation was in 1858 about £2 4*s.* 4*d.* ($10.79) per capita; in 1880 about £2 ($9.73) per capita; in 1886 about £1 19*s.* ($9.49) per capita.

THE REVENUE.

I.—*An abstract of the gross produce of the revenue of the United Kingdom in the undermentioned periods ended June 30, 1887, compared with the corresponding periods of the preceding year.*

Items.	Quarters ended—				Year ended June 30, 1887.
	September 30, 1886.	December 30, 1886.	March 31, 1887.	June 30, 1887.	
Customs	£4,749,000	£5,557,000	£5,002,000	£4,641,000	£19,949,000
Excise	5,685,000	7,780,000	6,330,000	5,500,000	25,295,000
Stamps	2,735,000	3,060,000	3,045,000	3,190,000	12,030,000
Land tax	*nil.*	5,000	1,005,000	45,000	1,055,000
House duty	65,000	25,000	1,255,000	550,000	1,895,000
Property and income tax	925,000	1,350,000	10,570,000	2,965,000	15,810,000
Post-office	1,980,000	2,360,000	2,350,000	1,790,000	8,480,000
Telegraph service	515,000	445,000	445,000	465,000	1,870,000
Crown lands	65,000	130,000	95,000	80,000	370,000
Interest on advances	155,545	301,552	416,311	249,509	1,122,917
Miscellaneous	590,017	801,747	795,849	584,290	2,771,903
Totals	17,464,562	21,815,299	31,309,160	20,059,799	90,648,820

I.—*An abstract of the gross produce of the revenue of the United Kingdom in the undermentioned periods ended June* 30, 1887, *etc.*—Continued.

Items.	Quarters ended—				Year ended June 30, 1886.
	September 30, 1885.	December 31, 1885.	March 31, 1886.	June 30, 1886.	
Customs	£4, 271, 000	£5, 319, 000	£4, 913, 000	£4, 847, 000	£19, 350, 000
Excise	5, 670, 000	7, 845, 000	6, 360, 000	5, 455, 000	25, 350, 000
Stamps	2, 730, 000	2, 800, 000	3, 015, 000	2, 990, 000	11, 535, 000
Land tax	*nil.*	*nil.*	970, 000	60, 000	1, 030, 000
House duty	65, 000	20, 000	1, 230, 000	565, 000	1, 880, 000
Property tax and income tax	755, 000	1, 200, 000	10, 770, 000	3, 055, 000	15, 780, 000
Post-office	1, 950, 000	2, 140, 000	2, 400, 000	1, 760, 000	8, 250, 000
Telegraph service	490, 000	410, 000	395, 000	425, 000	1, 700, 000
Crown lands	65, 000	130, 000	105, 000	80, 000	380, 000
Interest on advances	208, 486	582, 876	324, 329	302, 784	1, 418, 475
Miscellaneous	772, 610	647, 131	893, 143	643, 953	2, 956, 837
Totals	16, 977, 096	21, 094, 007	31, 375, 472	20, 183, 737	89, 630, 312

II.—*Increase and decrease in the periods ended June* 30, 1887, *as compared with corresponding periods of the preceding year.*

Items.	Quarter ended June 30, 1887.		Year ended June 30, 1887.	
	Increase.	Decrease.	Increase.	Decrease.
Customs	.....	£206, 000	£599, 000	.....
Excise	£45, 000	.....	.....	£35, 000
Stamps	200, 000	.....	495, 000	.....
Land tax	.....	15, 000	25, 000	.....
House duty	.....	15, 000	15, 000	.....
Property and income tax	.....	90, 000	30, 000	.....
Post-office	30, 000	.....	230, 000	.....
Telegraph service	40, 000	.....	150, 000	.....
Crown lands	.....	.....	.....	10, 000
Interest on advances	.....	53, 275	.....	295, 558
Miscellaneous	.....	59, 663	.....	184, 934
Totals	315, 000	438, 938	1, 544, 000	525, 492
Net decrease	£123, 938		.....	.....
Net increase	.....	.....	£1, 018, 508	

III.—*An account showing the revenue and other receipts in the quarter ended* 30*th June,* 1887, *the issues out of the same, the charges on the consolidated fund at that date, and the surplus or deficiency of the balance in the exchequer on* 30*th June,* 1886, *in respect of such charges.*

Surplus balance in the exchequer on the 31st March, 1887, beyond the amount of the charge on the consolidated fund at that date, as per last account		£983, 818
Income received as shown in account I		20, 059, 799
Amount raised by treasury bills issued to replace (in part) bills paid off		6, 360, 000
Amount received in repayment of advances for public works, etc		330, 110
Total		27, 733, 727
Excess of the sums charged on the consolidated fund on the 30th June, 1877, payable in September quarter, 1887, above the balance in the exchequer on the 30th June, 1887, viz:		
Excess of charge in Great Britain	£2, 834, 191	
Surplus overcharge in Ireland	651, 667	
Net deficiency	2, 182, 524	
Charge on 30th June, 1887 (as on the other side)	16, 274, 375	
Paid out of growing produce in June quarter, 1887	9, 007, 101	
Portion of the charge payable in September quarter, 1887	7, 267, 274	
To meet which there was in the exchequer on 30th June, 1887	5, 084, 650	
Net deficiency as above		2, 182, 524
Total		29, 916, 251

Amount applied out of the income to supply services			£13,641,976
Charge of the consolidated fund on the 30th June, 1887, viz;			
Permanent charge of debt:			
Interest of the permanent debt	£5,195,244		
Terminable annuities	2,220,386		
Interest of exchequer bills, etc	39,064		
		7,452,694	
Interest on loans for local purposes		189,651	
Principal of treasury bills		7,760,000	
Principal of exchequer bills		8,500	
Advances for public works, etc		410,300	
Other consolidated fund charges:			
The civil list	102,605		
Other charges	350,525		
		453,130	
			16,274,275
Total			29,916,251

In conclusion, it may be noted that approximate accuracy only is claimed for this brief summary. For more than this, in connection with so large a subject, neither time nor opportunity has been at command.

F. H. WIGFALL,
Consul.

LEEDS, *November* 2, 1887.

LIVERPOOL.

TAXATION, NATIONAL AND LOCAL.

REPORT OF MR. CHARLES T. RUSSELL, CONSUL AT LIVERPOOL.

The rates in Liverpool are levied by the corporation and the poor-law authorities, respectively.

The rates levied by the latter are termed parochial, and are paid by the occupiers of property, except in the case of small tenements, where the owners pay on a reduced assessment, whether the property is occupied or not. The local taxation is entirely raised by direct rates upon the owners and occupiers of property, viz, house, office, shop, and warehouse buildings.

The indirect dues levied by the dock board upon imports and shipping are extra-municipal and entirely removed from corporation control.

One assessment survey is made for the purpose of the poor-law or parochial rating, and apparently remarkable satisfaction has for many years attended the decisions of the parish assessor. The borough or municipal authorities adopt the poor-law assessments as the basis of their sanitary and school rates, and paving, lighting, and water rates; also the same as to the police rate, though here two points should especially be mentioned, viz: (1) The Imperial Government defrays a large part of the cost of police and crime; and (2) the Liverpool corporation estate, a patrimony of great value and very ancient and obscure origin, yields a large annual income to the funds of the city; and thus the pressure of local taxation to some extent is relieved.

In local rating, the owners of property pay half the sewer and water rate, and in new streets they pay the major part of the cost of construction, though the corporation staff do the actual work, the owners refunding its cost. On a few estates the ground landlord puts down main roads only; the lessees pay for the minor roads and streets.

Though church rates are nominally abolished, this city levies several thousands of pounds yearly from its rate-payers to defray the expenses of certain churches belonging to the Episcopalian sect.

There is also a library and museum rate of small amount collected by the municipality.

As to the general incident of local rates here, no very great and justifiable complaints are made.

The system of compounding for small cottage properties gives an inducement to owners to pay the entire rates for such blocks of tenements, and to recollect the items from their poorer tenants by means of the rent.

The costly rental of office property and warehouses in the exchange or central district involves heavy rating upon most of the mercantile class, and thus largely discounts the effects of their residences being outside the city area, where taxation is considerably less. Still, in the exemption thus obtained some abuses await rectification, the grievance affecting mainly the shop-keeping class, who are obliged to live inside the area, and whose heavy rents in the leading thoroughfares of trade necessitate seriously heavy payments to the local tax collectors.

The jails are under imperial management, but all other branches of the criminal and pauper administration are locally controlled and defrayed, except a small grant from government for pauper lunatics. On the other hand, the imperial exchequer receives the whole of the customs duties and excise charges on intoxicants, the revenue for liquor license, and the beer duty.

The total receipts for the calendar year 1886 from all sources of municipal and parochial taxation, excepting the poor rate, which is kept separate and apart from all taxation by the parochial authorities, was $5,361,200, and the expenditure $5,262,625, showing a surplus of $98,575, made up as follows:

Ordinary receipts:		Other receipts:	
Lighting, fire, police, and watch rates	$283,650	Estate, real and personal	$341,090
Parks and museum rates	210,195	Markets	82,900
Improvement rates	283,810	Buildings	6,525
Sanitary rates	1,067,300	Tramway surplus	31,220
Water rates	344,555	Artisans' dwellings	10,935
		Port sanitary account	220

The item for real and personal estate represents general interest, fines on leases and renewals, and ground rents, etc. The item for markets represents the amount collected for rent of stalls in the public wholesale and retail markets, and also for fees in connection with public weighing machines.

Extraordinary receipts from different sources, such as corporation stock, interest on loans, etc, amount to $2,698,800.

The following are the items of expenditure:

Lighting, watching, prevention of fires, and preservation of the peace	$483,745
Administration of justice	39,580
Parks, etc	258,795
Baths and warehouses	4,045
County expenses	68,855
Churches	14,145
Establishments	116,635
Department	81,205
Miscellaneous accounts	96,975
Improvement accounts	444,150
Sanitary accounts	1,187,485
Tramway accounts	16,320
Hospitals	7,595
Water account	355,609

Extraordinary payments from different sources, such as property purchased, new buildings and additions, sanitary accounts, hospital account, water account, etc., amount to $2,087,495.

The following table shows the various local charges in the five districts into which the municipality of Liverpool is divided:

District.	Lighting.	Paving.	Sewer.	Water.	General.	Improvement.	Public parks.	Total.	Parochial rates.					Gross total.
									Poor.	Watch.	Museum.	Parochial.	Total parochial rates.	
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.		Cts.	Cts.	Cts.	Cts.	Cts.	
Kirkdale	8	23	18	12	27½	15	6	$1.11½	34	....	2	....	36	$1.48½
Everton	8	20	21½	12	27½	15	6	1.11½	48	....	2	....	50	1.62½
West Derby	8	21	16½	12	27½	15	6	1.07½	38	3	2	....	43	1.51½
Toxteth Park	8	16	13	12	27½	15	6	.99	28	2	2	....	32	1.31
Liverpool	8	8	5½	12	27½	15	6	.84	32	....	2	1	35	1.19

The estimated population is 592,981, and the ratable value of the city is $17,133,520.

I may here say that it is impossible to give the expenses connected with the collection of the different taxes, as the salary, etc., of the collectors does not represent the cost of collection, inasmuch as they are required to perform other very important duties besides collecting, such as the preparation of the parliamentary and municipal voting register, collecting and tabulating the information for such register, and the preparation of the jury lists. The percentage of local taxation, compared with the amount of rent assessment, is about 26 per cent. The rent assessment of houses, etc., is generally about 15 per cent. lower than the amount of rent actually paid.

NATIONAL TAXATION.

The principal direct taxation imposed by the imperial Government are the income and property taxes, the income tax being collected at present at the rate of 16 cents on every $4.86. Incomes of under $729.97 per annum are exempt. Incomes of $729 and upwards, to $1,946.60, are allowed an abatement of $583.98. Incomes of over $1,946.60 pay on full amount.

The following taxes are imposed for licenses on every person employing any male servant, or keeping any carriage, or wearing or using armorial bearings:

	Per annum.
For male servants	$3.65
Carriages not being hackney carriages:	
With four or more wheels	10.22
With less, or if four under 4 cwt	3.65
Armorial bearings:	
On a carriage	10.22
Not on a carriage	5.10
Dogs	1.82
Hackney carriages plying for hire in public streets	3.65

The revenue of the country is mostly collected through the customs, excise, and stamps; that of the customs is composed of duty on coffee, spirits, tea, tobacco, wines, etc.; that of the excise, on beer, licenses,

railways, and spirits, and that of stamps for stamping deeds and other documents, wills, legacies, marine insurances, bills of exchange, etc. Bills of exchange payable on demand must bear a 2-cent stamp. Bills of exchange of any other kind whatsoever (except a bank-note) and promissory notes of any kind whatsoever drawn or expressed to be payable, or actually paid or indorsed, or in any manner negotiated in the United Kingdom where the sum shall not exceed $24.33 sterling, a 2-cent stamp; $24.33, and not exceeding $48.66, a 4-cent stamp; $48.66, and not exceeding $121.66, a 6-cent stamp; $121.66, and not exceeding $243.32, a 12-cent stamp; $243.32, and not exceeding $364.98, an 18-cent stamp; $364.98, and not exceeding $486.65, a 24-cent stamp, and for every additional $486.65, and also for any fractional part of $486.65, a 24-cent stamp. All receipts for $9.73 and upwards must bear a 2-cent stamp.

In a city like Liverpool, where four-fifths or more of the population are dependent upon earners of weekly wages, the masses are somewhat burdened by the indirect taxes on tea, cocoa, coffee, and other consumable articles.

The cost of collection it is impossible to tell, as the Government figures give only a fraction thereof.

CHAS. T. RUSSELL,
Consul.

LIVERPOOL, *July* 15, 1887.

NEWCASTLE-UPON-TYNE.

REPORT BY JASPER SMITH, CONSUL.

The gross amount of revenue for the United Kingdom for the year ending March 31, 1886, was £92,135,296; expenses of collection and other charges amounted to £2,451,512, leaving £89,683,783 as the net revenue for that year. The income for the previous year was £1,620,728 less.

The items of net revenue for the year ending March 31, 1886, were as follows:

Customs	£19,722,302	Telegraphs	£1,745,056
Excise	25,441,922	Crown lands	477,820
Income tax	15,247,312	Interest on advances and Suez Canal shares	1,376,080
Stamps	11,600,614	Miscellaneous	3,019,458
House tax	1,867,377		
Land tax	1,023,196		
Post-office	8,160,651	Total	89,683,783

Under the head of property and income tax the approximate net produce of each schedule was as follows:

Schedule.	Item.	Amount.
A	Lands, tenements, etc	£5,101,442
B	Occupation of land, etc	399,137
C	Annuities, dividends, etc	1,322,274
D	Trades and professions	7,502,109
E	Public offices, etc	922,350
	Total	15,247,312

It will be seen that the largest amount of revenue from one source is from the excise duty. Of this there was from beer, £8,403,580; from spirits, £13,140,694, and from tobacco there was derived £9,298,989. It may also be observed that although this is called a free-trade country, a large revenue is derived from tea and coffee, viz: From tea, £4,187,254; from coffee, £202,355.

It may be thought by many that customs duties can not properly be called a tax. But whatever view may be taken with regard to it, it will be interesting to know how simple the tariff of this country is, and on how few articles duties are collected.

In the year ending March 31, 1886, the receipts from customs duties were as follows:

Beer	£8,911	Rum	£2,029,391
Chicory	65,651	Brandy	1,356,673
Cocoa	70,472	Geneva	124,342
Coffee	203,355	Other sorts	643,465
Figs	29,047	Tea	4,187,254
Plate	6,827	Tobacco, etc	9,298,989
Plums	6,737	Wine	1,194,654
Prunes	7,796	All others	2,247
Raisins	146,630		

The income from excise duty is heavy. From beer, £8,403,580; from spirit, £13,140,694; from chicory, £2,536, and from coffee labels, £3,989.

The following were collected for licenses:

Auctioneers	£80,169	Hawkers	£26,595
Beer and cider	186,547	Medicine vendors	5,064
Brewers	36,140	Pawn-brokers	35,385
Dog	343,133	Refreshment houses	6,835
Armorial	76,234	Distillers and rectifiers	4,166
Carriages	540,508	Publicans and grocers	1,474,381
Male servants	137,294	Spirit dealers	119,669
Game	184,958	Tobacco	85,301
Plate-dealers	48,263	Wines	67,934
Gun	85,942	Other	9,096

There were received for—

Probate duties	£4,106,644	Composition	£124,010
Legacy	2,474,722	Cards	15,852
Succession	858,240	Gold plate	22,310
Corporation	32,047	Silver plate	45,002
Deeds	1,800,000	Licenses, etc	153,164
Bills of exchange	653,354	Medicines	178,718
Receipts and 1*d.* stamps	963,260	Life insurance	38,529
Bankers' notes	96	Marine insurance	136,380

EXCISE STAMPS AND TAXES.

I give below a complete list of excise stamps and taxes as now in force. These taxes were very annoying to the people, but they have become so accustomed to them that little agitation for their appeal or reduction is made. The taxes enumerated in the list annexed vary little from year to year. The most variable tax in this country is the income tax. It is increased or diminished with the necessities of the Government. At present it is 8*d.* on the pound. It seems to be the tax to which the Government looks to balance the budget.

It is a burdensome tax, but as it falls chiefly upon those who are supposed to be most able to pay, there is little chance of its repeal. But every administration feels itself happy if it is able to take a penny or more off the income tax.

The distinguishing feature between taxation in this country and the United States seems to me to be that here it is generally levied upon

income, such as rental of real estate, etc.; whereas in our country it is levied upon gross value without reference to rental.

By the English system unoccupied real estate almost entirely escapes taxation. The policy of this system is open to grave doubts, as it seems to encourage landlords to leave properties uncultivated and unimproved.

The city of Newcastle-upon-Tyne has, according to the report of the registrar-general, a population at the date of March 25, 1887, of 155,000 persons, taking a gradually estimated increase since the last census.

The rates levied in Newcastle-on-Tyne for the year ending March 25, 1887, are the municipal rates and the poor rates. The former rates are collected under the following heads, viz:

General rate, 1*s.* 7*d.* in £1	£59,629	8	5
Improvement rate, 7*d.* in £1	21,520	8	3
General district or park rate, 3*d.* in £1	8,306	14	2
Total	89,456	10	10

In addition to the above rates, the following are levied by the council of the city, but are collected by the local poor-law authorities, or poor-law guardians, viz: Lunatic asylum rate, 2*d.* in £1; board school rate, 4½*d.* in £1; library rate, 1*d.* in £1.

Occasionally a small jail rate, not collected annually, but only when required, amounting to about one-sixth of a penny per pound per annum. It is usually collected as a half-penny rate at intervals of three years.

The above three rates are collected by the poor-law guardians according to precepts issued by the corporation, and the amounts when collected are paid over to the city treasurer.

The school-board rate is collected in accordance with a precept issued by the school board; and the lunatic-asylum rate by a precept from the governors of the lunatic asylum.

The total municipal rates for the year ending March 25, 1887, were: General rate, 1*s.* 7*d.* in £1; improvement rate, 7*d.* in £1; district rate, 3*d.* in £1; lunatic-asylum rate, 2*d.* in £1; board school rate, 4½*d.* in £1; library rate, 1*d.* in £1; jail rate, one-sixth of 1*d.* in £1, collected every three years as a half-penny rate.

The amounts of rates vary frequently, but not annually, as may be seen by the following table:

	1886–'87.	1887–'88.
	s. *d.*	*s.* *d.*
General rate ..... in £..	1 7	1 11
Improvements rate ..... do....	7	7½
District rate (parks) ..... do....	3	2½
Lunatic-asylum rate ..... do....	2	2
School-board rate ..... do....	4½	4½
Library rate ..... do....	1	1
Jail rate ..... do....	½	½

The other chief source of municipal income is from the estates and general property of the corporation, and amounted during the year ending March 25, 1887, to the sum of £60,465 5*s.* 7*d.*, and the expenses chargeable to that fund were £54,561 6*s.* 5*d.*, leaving a balance of £5,902 19*s.* 2*d.*, which was carried to the credit of the general rate account. The general rate account is the supplement of the city fund account, and the amount levied annually for general rate is modified according to the surplus or otherwise of the city fund.

The funds derived from the general rate are appropriated for the most part to the payment of police and watching expenses, street light-

ing, repairs of roads, scavenging, sewering, paving, sanitary and health work, hospitals, etc.

The funds derived from the improvement rate are appropriated to the payment of interest on borrowed capital, to its gradual redemption, and to street improvements and other incidental expenses.

The capital debt of the corporation on March 25, 1887, amounted to £919,873, to which may be added lunatic asylum debt, £43,000; school board debt, £43,000; making a total of £1,006;173 capital debt, the interest on which is paid annually and the principal in yearly installments extending over about thirty years.

The capital debt of the corporation is increasing rapidly. During the last thirty years it has increased at the rate of £36,000 per annum, and during the last three years the increase has been at the rate of £74,000 per annum.

The ratable value of the city is estimated at £823,338, and the municipal rates are levied on the basis of 5 per cent. below the actual rental, and the poor rate on the basis of 10 per cent. below the actual rental.

Tenements differ from the above. The rates are compounded for and are paid by the landlords or owners of the property. The deduction for corporation rates on tenement property is 25 per cent., and the deduction for poor rates on the same is 30 per cent.; there is also a further allowance on this class of property if the rates be paid within a specified time.

The rates are paid upon the rental, not upon what may be considered the market value of the property, it being always assumed that an owner will get as much rent as he can for the property as it is.

If in the city some occupiers purchase the properties they occupy at exorbitant prices, they pay rates on the average rental of the district, not on the exorbitant value the purchase money indicates, as they have paid on account of their established business rather than because of the intrinsic value of the property. Both poor rates and municipal rates are collected half yearly. The city for both municipal and poor rates is divided into the following districts:

Old municipal districts, collected March, 1886, to March, 1887.

	£	s.	d.
All Saints	14,543	3	1½
St. Andrews	16,313	14	3
St. Nicholas	5,525	17	0½
St. Johns	10,743	7	8
Total	47,126	2	1

New municipal districts, collected March 25, 1886, to March, 1887.

	£	s.	d.
Elswick	16,405	8	8
Westgate	11,418	17	5½
Byker	6,857	9	9
Jesmond	6,054	13	4
Heaton	1,593	19	6½
Total	42,330	8	9

Poor rates are collected half yearly and vary a little in amount from time to time. The following are the poor rates for the year ending 25th March, 1886:

All Saints	£7,910	Elswick	£8,817	Heaton	£892
St. Andrews	9,309	Westgate	6,739	Benwell	1,253
St. Nicholas	3,228	Byker	3,691	Fenham	153
St. Johns	5,824	Jesmond	3,330		

Paving, flagging, and sewering of new streets are paid by the property owners within four years, and 5 per cent. is paid for interest on the unpaid capital sum. All established streets that have once been properly paved, etc., are kept in order at the expense of the city.

JASPER SMITH,
Consul.

NEWCASTLE-UPON-TYNE, *September* 15, 1887.

SHEFFIELD.

BY CONSUL BENJAMIN FOLSOM.

I.—IMPERIAL TAXES.

National taxes in Sheffield do not differ in any material degree, either in application, rate, or method of collection, from those imposed upon manufacturing towns of similar size and importance throughout the Kingdom of Great Britain. The customs tariff is the chief if not the only system of indirect taxation employed by the Government, and that is, of course, levied at a uniform rate, according to the printed list inclosed herewith. These duties are few and simple, differing greatly from a complicated protective tariff, but they produce a very large revenue. The custom-house returns show that tobacco furnished the largest amount of duties; spirits and wine came next, and tea stands third on the list, realizing from a tax of 12 cents per pound on all grades a yearly revenue of more than $20,000,000.

The whole amount of customs receipts and the various articles upon which duties were collected in Great Britain and Ireland during the fiscal year ended March 31, 1886, are as follows:

Ale, beer, etc	$43,365.38	Rum	9,876,031.30
Chicory	319,490.59	Brandy	6,602,249.15
Cocoa	342,951.98	Geneva	605,110.34
Coffee	989,627.10	Other spirits	3,131,422.42
Currants	1,496,833.20	Tea	20,377,271.59
Figs	141,357.22	Tobacco	45,253,529.96
Plate, silver, etc	33,223.59	Wine	5,813,783.69
Plums	22,758.61	All other imports	10,935.02
Prunes	37,939.23		
Raisins	713,574.89	Total	95,825,482.26

Of the internal or inland revenue the excise and license duties are the most important and productive, realizing to the Government nearly $124,000,000 per annum; and it is worthy of observation that the consumers of beer and spirits contribute no less than 62 per cent. of this vast sum, a fact which is no doubt regarded with melancholy satisfaction by the abstemious temperance tax-payer. The income tax is naturally regarded here, as elsewhere, with but little favor by the great majority of those rate payers whose annual incomes exceed the limit of exemption, which is fixed at $730. The rate at which this tax is assessed for the present fiscal year is 7 pence (14⅛ cents) in the pound sterling ($4.86⅓). The whole amount realized under the several schedules of the income tax for the year 1886, when the rate was 8 pence in the pound, or 2 cents higher than at present, is given as follows:

Schedule A. Lands, tenements, etc	$24,826,167.49
Schedule B. Occupation of land, etc	1,942,400.22
Schedule C. Annuities, dividends, etc	6,434,846.42
Schedule D. Trades, professions, etc	36,509,013.44
Schedule E. Public offices, etc	4,448,616.27
Total	74,201,043.84

In one of the reports of the inland revenue board, made some time ago, it was estimated that at least 40 per cent. of all the returns under Schedule D were underestimates or false statements of the actual income upon which the tax should have been paid.

Could this unpopular tax be honestly collected, it would no doubt tend to relieve the burden of taxation in other directions; but as now administered it is productive of a great deal of false swearing and much grumbling over the payment of so much of the tax as can not be evaded.

The stamp duties, the taxation of legacies, the so-called "death duties" or probate tax, the railway tax, and the inhabited-house tax, with others, fall under the inland revenue and return a large sum to the treasury.

The rates at which these and all other internal-revenue taxes are levied are given in detail in the inclosure(?) accompanying this report.

The imperial land and house taxes bring in the sum of $14,000,000 and upwards, derived from an assessment upon the estimated rental value of real property at the rate of 6 to 9 pence in the pound, which is paid by the occupant.

The returns from royal forests, woods, and crown lands amount to about $2,325,000. The receipts from the post-office and telegraph, with a number of minor items, swell the grand total of national income from all sources to the gross sum $448,376,417.98 yearly. From this total must be deducted $11,930,283.14 for allowances, discounts, drawbacks, bounties, etc., leaving a net revenue of $436,446,134.84, made up as follows:

Customs	$95,978,582.68	Telegraph	$8,492,315.04
Excise	123,813,113.41	Crown lands, etc	2,325,311.03
Income tax	74,201,043.84	Interest on advances and Suez Canal shares	6,696,693.32
Stamps' revenue	56,454,388.03	Miscellaneous	14,694,173.90
House tax	9,087,590.17		
Land tax	4,979,383.33	Total	436,446,134.84
Post-office	39,723,541.09		

The following figures show the costs of collection of the above revenue:

Customs	$4,649,707.15	Packet postal service	$3,557,479.63
Inland revenue	8,741,260.83		
Post-office	23,328,755.17	Total	48,769,245.28
Telegraph	8,492,042.50		

It will be noticed that the cost of maintaining the telegraph system of the Government comes within $272.54 of the whole amount derived therefrom. A careful examination of the customs tariff and the table of excise and stamp duties will show the whole groundwork of the system of national taxation in England, and reveal certain inequalities of assessment which give rise to serious complaint on the part of the poorer classes.

LUXURY AND NECESSITY MUST PAY ALIKE.

It can easily be understood why wines and spirits and beer should pay a heavy customs excise duty, and the same applies to tobacco, since a fair minority regards it as a useless luxury; but why tea, an article which has come to be regarded as a necessity and is used in vastly greater quantities by the poor than by the rich, should be saddled by a customs tax of 12 cents per pound, regardless of cost or quality, is something which the laboring man can not understand. England is

to-day a nation of tea drinkers; it is the cheering beverage that grace nearly every breakfast table from palace to hovel, and there is scarcely a home in which afternoon tea is not served, and the great bulk of the tax upon this article is wrung from the hands of hard-working, and often poorly-paid, laboring classes.

In 1667 the East India Company imported tea for the first time to the amount of 100 pounds. Last year there was entered at the British custom-house not less than 167,490,160 pounds of tea, a quantity sufficient to make 670,000,000 gallons of strong tea, or 19 gallons of the infusion for every man, woman, and child in the United Kingdom. Further comment upon these figures is hardly necessary. During the early part of the present year the internal-revenue tax on tobacco was reduced 8 cents in the pound, but the result has not thus far been satisfactory, for consumers of the weed complain that there has been no corresponding reduction in the retail price, the extra profit going into the pockets of the manufacturers and dealers, very much as was the case in the United States when the stamp duties on patent medicines were repealed.

The following extract in reference to inequalities in the rates of the customs duties is taken from a current publication of the Financial Reform Association of this country:

If the people only knew how greatly they are pillaged and injured by this system of raising the revenue, all the forces of the Government would not suffice to maintain it for a single year. For the better understanding of what they are paying in taxes, when they suppose they are only paying for the goods they buy, it may be well to put the rates into familiar shape by showing what they mean as to every supposed shilling's worth bought by retail. Thus: Out of every shilling paid over the counter for cocoa, 1½*d.* is for the tax; for coffee, 1½*d.*; for currants, 3*d.*; for raisins, 2½*d.*; and for tea, 4½*d.*; with a fraction additional in each instance. The spirit duty makes the price of a nominal shilling's worth of spirits 4*s.* 4½*d.* The tobacco duty raises the price of the shilling's worth to 6*s.* 8½*d.*, when unadulterated and unsmuggled, whilst on wine takes only the fraction of a farthing more than 5*d.* from the shilling. As to tobacco, it may be interesting to smokers of the common sort to know, that of the 3*d.* paid for an ounce, 2½*d.* is for the Government and a half-penny only for the tobacco.

In regard to the charges for stamps on leases, contracts, agreements, and other legal documents, for the sale of land, etc., the association asserts it to be an injustice, a hardship.

Why should men be taxed for selling a house or a field when no tax is imposed for selling a ship or a bale of cotton goods? There is no basis of equity in such taxation, and the only class that can benefit from it is the close corporation of lawyers, whose charges, sufficiently exorbitant in all respects, are further aggravated by these Government stamps on legal deeds; and this is not all, for some of the house property may change hands many times a year, and is taxed afresh every time it is transferred.

The same authority points out what it considers to be a few of the fiscal anomalies in the operation of the death duties, viz:

(1) Many corporations owning real estate escape paying altogether. Several municipal and ecclesiastical corporations hold great landed estates, and the charity trusts alone (of which there are 50,000) hold 524,000 acres of land, with a gross rental of more than £1,500,000 per annum.

(2) The heirs of the great landlords pay but a trifling percentage, and that percentage is levied only on an estimated life interest capitalized instead of on the full value of the freehold. The ducal estate of £50,000 a year, and which is worth £1,500,000, descending to an heir-at-law aged sixty-four, pays 3 per cent., or £12,800 succession duty, but a merchant or manufacturer having personalty of the same value would have to pay £45,000 probate duty and another £45,000 legacy duty; in all, £90,000.

(3) Small legacies of money are oppressively mulcted as compared with large fortunes.

(4) Grossly unfair advantage is taken of intestacy, mainly to the vexation and detriment of persons of small means.

(5) Foreigners holding personalty here escape legacy duty, but Englishmen leasing personalty abroad become liable to pay.

(6) The scale based on consanguinity acts with cruel hardship upon many of our struggling people. A millionaire's child pays nothing to legacy duty for personal estate, but the adopted child of a mechanic pays 10 per cent. A man marrying his deceased wife's sister would only pay 3 per cent. on any property she might bequeath to him, but if he died first she would be charged 10 per cent. on anything he left to her. A legacy from a step-mother pays 10 per cent.. but a legacy to a step-mother pays nothing.

The following recently published article on graduated taxation seems to be pertinent to the subject under consideration:

It is remarkable that Switzerland, where greater equality of fortune prevails than in almost any other European country, should be the only one in which an organized system of graduated taxation has been instituted. In England a kind of graduation exists: First, in the exemption of incomes under £150 from the income tax. Second, in the almost complete exemption from probate duty of personal estates of less than £300 in value. Third, in the system of taxing articles of general consumption, which results in a very decided graduation the wrong way, namely, that the poor pay much more than the rich.

The effect of the exemptions in the two first cases is more than counteracted by the third, the general result of the English fiscal system being that the smaller the income derived, as most small incomes are, from earnings the larger is the proportion that is taken as a contribution to the public revenue. Estimates of the amount taken by taxation out of a laborer's wages of £1 a week were given some years ago in the Financial Reformer, showing the proportion taken to be from one-seventh to one-tenth. An examination of the income and expenditure of laborers and small farmers in Ireland would lead me to place the amount at one-twelfth, in cases where there was no excessive expenditure in alcoholic drinks. The taxation on incomes of £1,000 a year, taken directly and indirectly, would be about one-twentieth, and above that amount the contributions get smaller and smaller as the income increases. Equality of taxation is admitted to be right in principle by all English economists; the phrase is, however, ambiguous. It might mean (1) that every person should pay an equal amount of taxes; (2) that every person should pay the same proportion of his income; (3) that each person's contribution to the revenue should be such as would be equally felt by him.

The first would be impracticable as well as unjust; it is not contended for by any one; the second is the usually accepted sense of the phrase and is known as proportional taxation; the third constitutes "equality of sacrifice," and involves graduated taxation, *i e.*, a tax the ratio of which to the full income increases as the income increases. Graduated taxation is defended on the ground that it is right to exempt necessaries and to tax the superfluities; that in it true equality is found, inasmuch as a large contribution out of the abundance of the rich is less felt than a small one out of the scanty means of living of the poor. Graduated taxation now exists in twelve out of the twenty-two cantons in Switzerland. The graduation is applied in different ways; in some cantons, estates, real and personal, are classified according to their amounts. The rate of the tax is the same, but a varying proportion of the value of the estate is exempted; thus in Zurich the tax is levied on five-tenths of properties up to £800 value; on six-tenths, up to £1,200; on seven-tenths, up to £2,000; on eight-tenths, up to £4,000; on nine-tenths, up to £8,000, and on the entire estate when exceeding the latter sum in value. In other cantons, as Argovil and Schaffhausen, an addition (*surtaxe*) of 5, 10, 15, and up to 33 per cent. is made to the property tax as the tax at the ordinary rate exceeds certain specified amounts. In Vand, where progressive taxation will only commence to operate this year (1887), real property is divided into three classes, (*a*) under £1,000, (*b*) £1,000 to £4,000, (*c*) £4,000, and upwards. The land tax, which is struck each year, is to fall on these three classes in the proportions of 1, 1½, and 2. Personal estates and incomes are divided into seven classes, taxed in the proportions of 1, 1½, 2, 2½, 3, 3½, 4. The tax is levied on capital, not on the annual value of the estate.

Everything is taxed, whether it yields an income or not; furniture, pictures, jewelry, carriages, etc., but furniture and trade appliances up to the value of £200 are exempted. Where income exists without a corresponding capital, as from wages, earnings, life annuities, a deduction is made of £16 per head for each person dependent on the head of the family for support. Thus, a bachelor earning £200 a year would pay about £3, while a married man with the same income and twelve children would pay nothing. The revision of the Vaudois constitution, which was necessary before introducing the law of taxing estates by classes, and the law itself at its various stages, was carried by overwhelming majorities.

The foregoing article is quoted because there is at present a movement on foot in England to reform many of the unequal taxes now im-

posed, and to substitute instead a system of graduated or progressive taxation.

II.—Local Taxation.

The borough of Sheffield covers 19,651 acres, wholly within the West Riding of the county of York, with a population estimated at 316,000. It was incorporated in 1843, and is divided into nine wards, made up of seven townships, as followsz: Sheffield, Brightside, Attercliffe, Eccleshall, Nether Hallam, Upper Hallam, and Heeley. The local government is vested in a mayor and a town council composed of sixteen aldermen and forty-eight councilors, whose powers extend to the control of the police force; the lighting, cleaning, and repaving the streets; drainage and sanitary measures; the fire department, baths, markets, libraries, parks, tramways, water, and the general improvement of the borough. The only revenue available to the council is that drawn directly from the pockets of the rate-payers by means of local taxation assessed upon real property alone. The town trustees, another body, are elected by the freeholders residing in the parish of Sheffield, for the purpose of administering a trust, which realizes an annual income of about $25,000, applied chiefly to public improvements and charitable institutions.

There are two poor-law unions within the borough, viz, the Sheffield Union and the Eccleshall Bierlaw Union, whose functions relate to the enforcement of the poor-law acts and the conduct and management of the workhouses, which correspond to almshouses in America. Each union is governed by a separate board of guardians, assisted by a body of overseers and a staff of clerks, collectors, medical officers, and assistants. The guardian and overseers are elected by the vote of the people in the several townships, and upon these overseers devolves the duty of assessing and collecting the rate deemed necessary for the proper support and maintenance of the poor and indigent in the townships within their respective unions. They also collect the borough rates, which are assessed twice a year for general purposes.

These rates, amounting to about 31 cents in the pound sterling, are levied equally upon the rental value of real property in the several townships, and are included in the poor rates. The workhouse for the Sheffield Union at Fir-vale, a suburb, is one of the largest and most complete structures of its kind in the country. The site embraces 44 acres of land, and the buildings which form the workhouse proper have a frontage of 1,100 feet. They are constructed for six departments or divisions—the main building for general purposes, the lunatic asylum, the schools, the hospital, the fever hospital, and the vagrant wards. The workhouse is amply sufficient for the accommodation of 1,663 paupers, and its cost with the land falls but little short of $1,000,000.

A report of the board of guardians for the week ending October 19, 1887, gives the number of inmates 1,438, and relief furnished to outside persons numbering 4,857, amounting in money and kind to nearly $2,000.

The Eccleshall Union Workhouse is a handsome and well arranged stone structure at Cherry-tree Hill, about two miles south of the center of the town, and has extensive gardens and grounds. It cost nearly $100,000, and accommodates 500 paupers, besides furnishing 1,500 persons outside relief. This union comprises the townships of Eccleshall, Nether Hallam, Heeley, and Upper Hallam, with a few rural districts outside the borough.

The following table, the figures for which were kindly furnished by Benjamin Jones, esq., the borough accountant, show the ratable value (which is far below the actual rental value) of occupied premises in the several townships of the borough, and the local and government rates for the present year:

Township.	Ratable value.		Poor-rate including borough rate, in the £ ($4.86⅔).	District rate, in the £.	Imperial tax, in the £.	Total, in the £.
	American money.	English money.				
Sheffield	$1,805,067	£370,917	$0.89	$0.73	$0.14	$1.76
Brightside	1,194,253	245,403	.81	.73	.14	1.68
Attercliffe	366,291	75,268	.97	.73	.14	1.84
Ecclesshall	1,101,707	226,386	.64	.73	.14	1.52
Nether Hallam	509,483	104,692	.64	.73	.14	1.52
Heeley	102,634	21,090	.64	.73	.14	1.52
Upper Hallam	119,735	24,604	.64	.73	.14	1.52

There is, in addition to the above rates, an imperial tax, called the inhabited-house duty, amounting to 9 pence in the pound, on houses rated at £20 and upwards.

Out of 65,000 buildings, workshops, and tenements in the borough, 45,000 of them are rated at a rental value of less than $35.90, and in such cases the landlord, and not the tenant, is liable for the local rates. At the first glance, rents would seem to be extremely cheap in this locality, but when a tenant takes a dwelling-house at an annual rental of $300 he finds he is obliged to pay, in addition thereto, not less than $100 in yearly taxes. And as the non-payment of taxes in England is treated in much the same manner as a crime, there is, as a consequence, but very little tax shirking indulged in. In order to show just what amount of tax a householder in Sheffield is obliged to pay per annum, national and local, upon real property, I have obtained the following statement of rates and taxes levied on house, stable, out-houses, and plat of land occupied by A B for twelve months ending June 30, 1887; the entire premises rated at a rental value of £161 per annum:

	£	s.	d.
Imperial taxes:			
Property or income, at 8*d.* in the pound	5	7	4
Land rated at seven-eighths of 4*d.* in the pound		2	11
Inhabited-house duty, at 9*d.* in the pound	6	0	9
	11	11	0
Local rates:*			
District rate, at 3*s.* 4*d.* in the pound on rental value of £136	23	1	8
Poor-rate, at 3*s.* 8*d.* in the pound on rental value of £128, 15*s.*	17	3	4
Voluntary rates:			
Gas, at 2*s.* 2*d.* per 1,000 cubic feet	16	0	0
Water	9	6	0
Total	77	2	2

In the above instance, upon an assessed rental value of £161=$783.50, the taxes, exclusive of the cost of gas and water, amount to $252.08, or not far from one-third of the rental value of the premises. In some localities, however, the tax-payers are fortunate enough to be almost free from local rates. For instance, the borough of Doncaster, in this district, owns the course and stands where the great racing event of the North occurs in September each year. Here the St. Leger—next in

* These rates are determined by local boards and do not include gardener's cottage and out-buildings, which accounts for the variation in assessment.

importance to the Derby—is run and actually managed by the borough officials. The amount realized by the town from admissions, stands, etc., at the last September races, according to the published statement of the borough account, is $65,946.30, a sum almost sufficient to defray the local expenses of the town for a year—a fact which is regarded with great satisfaction by the rate-payers of Doncaster.

All local improvements in Sheffield, such as street-paving, sidewalks, sewers, etc., and repairs, are paid from the district rates or general fund, and not by local assessment upon the property immediately benefited. The public schools, called board schools, receive a certain amount of support from the imperial and the local treasury, but they are not free schools such as America possesses. The pupils in attendance must bring a few pence individually, according to the grade they are in, and pay the amount weekly to their teachers. It may not amount to much, but it is a tax that is felt by the poor.

Inequalities of taxation no doubt exist in various forms, and the remedy proposed by one party is to extend and enlarge the customs tariff sufficiently to protect all home industries. The free-trader, on the other hand, takes an entirely different view of the matter; his plan is to do away with indirect taxation entirely and reform the present inland system. The history of local taxation in England, its growth and pressure upon certain classes and trades, has been ably set forth in a series of articles recently published by that well-known writer and advocate of free-trade, Prof. J. E. Thorold Rogers, late member of Parliament, and the same, in a slightly condensed form, are transmitted herewith in an inclosure.

The accounts of the town council of Sheffield for the year ending March 25, 1887, show a net ordinary expenditure (including $172,293.56 paid over to the school board) of $1,154,665.73. This sum is exclusive of outlay on special work, but includes interest and the year's instalment toward repayment of loans for such work. The following is a concise abstract of income and net expenditure after deducting the earnings of the various departments:

INCOME.

Borough rates, included in poor-rates	$327,386.92
General district rates	672,238.12
From imperial treasury:	
Half cost of police pay and clothing	69,145.05
Half cost conveyance and maintenance of convicts	1,168.42
Half cost criminal prosecutions	9,964.94
Half cost grant toward maintenance of disturnpiked roads	3,473.68
Total income	1,083,377.13

EXPENDITURE.

GENERAL ADMINISTRATIVE EXPENSES.

Interest and repayment of loans	$200,831.12
From clerk's department	11,544.58
Borough accountant's department	13,788.77
Borough analyst and accountant auditor	1,048.72
Weights and measures and gas-meter testing	1,298.45
Municipal and Parliamentary elections	6,361.15
General improvements, less rents, etc	3,505.86

HIGHWAYS.

Borough surveyor's department	10,491.27
Streets and highways	200,673.83

HEALTH.	
Medical officer, cleansing, superintendents, and smoke inspector	$11.414.47
Scavenging and night-soil removal	153,010.23
Borough hospital	8,119.59
Sewage precipitation works	30,354.91
Prevention of pollution of rivers and streams	6,504.43
Contagious diseases act—animals	700.74
FIRE BRIGADE, LIGHTING, AND POLICE.	
Fire department	4,139.62
Lighting	76,068.07
Constabulary and police	144,087.33
Miscellaneous accounts	411.67
General county expenses	45,788.20
ADMINISTRATION OF JUSTICE.	
Criminal prosecutions	11,759.54
Juveniles in reformatories	2,647.02
Clerk of the peace	1,387.35
Coroner	2,468.24
Stipendiary magistrate and clerk	16,059.45
Town hall maintenance	2,086.40
EDUCATION, ETC.	
School board	172,293.56
Free libraries and museum	21,537.68
Public parks, etc	8,157.87
Public baths, etc	2,340.38
	1,170,880.53
Deduct fees collected by magistrate's clerk and clerk of the peace	16,215.03
Total expenditure	1,154,665.50
Total income	1,083,377.13
Excess of expenditures	71,288.37
Surplus, March 25, 1886:	
Borough and district fund	71,288.37

Through the kindness of Mr. Benjamin Jones I am enabled to transmit herewith printed abstract of the accounts of the corporation of Sheffield, in two bound volumes, showing the income and expense accounts of the borough in detail.

BENJAMIN FOLSOM,
Consul.

SHEFFIELD, *October* 31, 1887.

[Inclosure 1.]

Inland revenue—Excise, stamps, and taxes.

	English money. £	s.	d.	American money.
Account duty. *See* Probate Duty.				
Admission—				
To the degree of a barrister	50	0	0	$243.32
As solicitor, or proctor, or W. S.	25	0	0	121.66
Member of any inn of chancery	3	0	0	14.60
As fellow of college of physicians	25	0	0	121.66
As doctor of medicine (Scotland)	10	0	0	48.66
As burgess—				
By birth, apprenticeship, or marriage	1	0	0	4.86
On any other ground	3	0	0	14.60
As a notary public—				
In England	30	0	0	146.00
In Ireland	20	0	0	97.33
As a burgess in Scotland	0	5	0	1.22

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money.
Affidavit, or statutory declaration	0 2 6	$0.61
Agreement, or memorandum of agreement:		
Under hand only, not otherwise charged	0 0 6	.12
For less than a year of a furnished house, the rent exceeding £25	0 2 6	.61
Appointment of a new trustee and in execution of a power of property, not being by a will	0 10 0	2.43
Appraisement or valuation of any estate or effects:		
Where the amount of the appraisement shall not exceed—		
£5 ($24.33)	0 0 3	.06
£10 ($48.66)	0 0 6	.12
£20 ($97.33)	0 1 0	.24
£30 ($145.99)	0 1 6	.36
£40 ($194.66)	0 2 0	.48
£50 ($243.32)	0 2 6	.60
£100 ($486.65)	0 5 0	1.21
£200 ($973 30)	0 10 0	2.43
£500 ($2,433.25)	0 15 0	3.65
Exceeding £500	1 0 0	4.86
Appraisers and house agents, annually, United Kingdom	2 0 0	9.73
Apprenticeship indentures:		
If no premium	0 2 6	.60
For every £5 and fractional part	0 5 0	1.21
Armorial bearings:		
Annual license, Great Britain	1 1 0	5.10
If used on any carriage, Great Britain	2 2 0	10.21
Arms, grant of, stamp duty of	10 0 0	48.66
Articles of clerkship to solicitor—		
In England or Ireland	80 0 0	389.32
In superior courts, in Scotland, or counties Palatine of Lancaster and Durham	60 0 0	291.99
Auctioneer's annual license, United Kingdom	10 0 0	48.66
Award:		
Where the amount or value of the matter in dispute shall not exceed—		
£5 ($24.33)	0 0 3	.06
£10 ($48.66)	0 0 6	.12
£20 ($97.33)	0 1 0	.24
£30 ($145.99)	0 1 6	.36
£40 ($194.66)	0 2 0	.48
£50 ($243.32)	0 2 6	.60
£100 ($486.65)	0 5 0	1.20
£200 ($973.30)	0 10 0	2.43
£500 ($2,433.25)	0 15 0	3.65
£750 ($3,649.87)	1 0 0	4.86
£1,000 ($4,866.50)	1 5 0	6.07
Exceeding £1,000, and also in all other cases not above provided for	1 15 0	8.51
Bank note for money payable on demand, not exceeding—		
£1 ($4.86)	0 0 5	.10
£2 ($9.73)	0 0 10	.20
£5 ($24.33)	0 1 3	.30
£10 ($48.66)	0 1 9	.42
£20 ($97.33)	0 2 0	.48
£30 ($145.99)	0 3 0	.73
£50 ($243 32)	0 5 0	1.21
£100 ($486.65)	0 8 6	2.06
Bankers' annual license, United Kingdom	30 0 0	145.99
Bankers' cheques	0 0 1	.24
Beer—per barrel of specific gravity of 1.057 degrees	0 6 3	1.52
Beer dealers and brewers, annual licenses—		
Beer dealers, wholesale, not brewers, United Kingdom	3 6 1½	16.08
Beer dealers to sell in any quantity, additional, not to be consumed on the premises, England and Ireland	1 5 0	6.07
Brewers brewing beer for sale, United Kingdom	1 0 0	4.86
Other brewers, United Kingdom—		
Annual value of house not exceeding £10 ($48.66)	0 4 0	.97
Annual value exceeding £10, but not exceeding £15 ($72.99)	0 9 0	2.19
In every other case, in addition to the duty on the beer made	0 4 0	.97
Retailers of beer, cider, and perry—		
For consumption on the premises (United Kingdom)	3 10 0	17.02
Not to be consumed on premises (England)	1 5 0	6.07
Retailers of table-beer (United Kingdom)	0 5 0	1.21
Retailers of beer (Scotland)—		
Rated under £10 ($48.67)	2 10 0	12.16
Rated at £10 ($48.66) or upward	4 4 0	20.43
Retail dealers of beer and wine (United Kingdom)—		
For consumption on the premises	4 0 0	19.46
Not to be consumed on the premises	3 0 0	14.59
Bill of lading	0 0 6	.12
Bills of exchange payable on demand, for any amount	0 0 1	.02
Bills of exchange of any other kind, and also promissory notes—		
Not exceeding £5 (24.33)	0 0 1	.02

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money.
Bills of exchange of any other kind, and also promissory notes—Continued.		
Exceeding £5 ($24.33) and not exceeding £10 ($48.66)	0 0 2	$0.04
Exceeding £10 ($48 66) and not exceeding £25 ($121.66)	0 0 3	.06
Exceeding £25 ($121.66) and not exceeding £50 ($243.32)	0 0 6	.12
Exceeding £50 ($243 32) and not exceeding £75 ($364.98)	0 0 9	.18
Exceeding £75 ($364.98) and not exceeding £100 ($486.65)	0 1 0	.24
Every £100 ($486.65), and also for any fractional part of £100 ($486.65), of such amount	0 1 0	.24
Bond for payment of money. *See* Mortgage Bond, etc.		
Bond for securing an annuity:		
1. Where the total amount is ascertainable. Same as mortgage bond, etc.		
2. Where the payments are for the term of life, or other indefinite period: For every £5 ($24.33), and every fractional part of £5 payable annually—		
If as primary security	0 2 6	.60
If as collateral security	0 0 6	.12
Bond, for customs or excise duties, same as mortgage bond, etc. (but not to exceed 5s.)		1.21
Bond not specifically charged, same as mortgage bond, etc., including Fidelity bonds, but not to exceed 10s. ($2.43).		
On obtaining letters of administration, etc. (not exceeding £100 ($486 65) exempt)	0 5 0	2.43
Card (playing) makers:		
To sell	1 0 0	4.86
For every pack, duty	0 0 3	.06
Carriages, annual license (Great Britain):		
Hackney carriages	0 15 0	3.65
For every other carriage, *i. e.*, with four wheels, weighing 4 cwt	2 2 0	10.21
With two wheels; or four wheels, if weighing less than 4 cwt	0 15 0	3.65
Half these rates only charged on licenses taken out between October 1 and December 31.		
Certificate—to be taken out yearly by every attorney, solicitor, proctor, writer to the signet, notary public, and sworn clerk.		
Residing within 10 miles of the general post-office, London; or either in the city or shire of Edinburgh, or in the city of Dublin, or within 3 miles thereof	9 0 0	43.19
If residing elsewhere	6 0 0	29.19
During first three years, one-half only.		
Certificate:		
Of goods, being duly entered inwards, for drawback	0 4 0	.97
Of birth, marriage, or death	0 0 1	.24
Charter party	0 0 6	.12
Cheques, or drafts, payable on demand or to order	0 1 0	.24
Chicory, per cwt., raw or kiln-dried	0 12 1	2.94
Cider and perry (England), annual license, retailers of	1 5 0	6.07
Coffee mixtures or substitutes, per ½ pound	0 0 ½	.01
Commission—		
To any officer in the army or royal marines	1 10 0	7.29
To any officer in the navy	0 5 0	1.21
Of lunacy	0 5 0	1.21
Contract note, stocks, shares, etc	0 0 1	.24
Contract or grant for payment of a superannuation annuity: For every £5 ($24.33) or fractional part of £5	0 0 6	.12
Conveyance:		
Where the purchase money shall not exceed £5 ($24.33)	0 0 6	.12
Exceeding £5 ($24.33) and not exceeding £10 ($48.66)	0 1 0	.24
Exceeding £10 ($48.66) and not exceeding £15 ($72 99)	0 1 6	.36
Exceeding £15 ($72 99) and not exceeding £20 ($97.33)	0 2 0	.48
Exceeding £20 ($97.33) and not exceeding £25 ($121.66)	0 2 6	.60
For every additional £25 ($121.66) up to £300 ($1.459.95)	0 2 6	.60
If exceeding £300 ($1,459.95), then for every £50 ($243.32)	0 5 0	1.21
Of any kind not otherwise charged	0 10 0	2.43
Conveyance or transfer—		
Of Bank of England stock	0 7 9	1.88
East India Company stock	1 10 0	7.29
Of any debenture stock or funded debt of any company or corporation, and colonial generally; for every £100, or fractional part of £100 ($486 65), of nominal amount transferred	0 2 6	.60
Proviso for composition in these cases, see 43 and 44 Vict., c. 20, ss. 53 to 57.		
Copy or extract (attested or authenticated), the same duty as original, but not to exceed	0 1 0	.24
Copyhold and customary estate:		
If on sale, mortgage, or demise, the ad valorem duties under those heads.		
Not upon sale, mortgage, or demise, surrender or grant made out of court, or the memorandum thereof, and copy of court-roll of any surrender or grant made in court	0 10 0	2.43
Corporate and unincorporate bodies: Upon the net annual value, income, or profits accrued in respect of all real or personal property vested in such bodies.....per cent	5 0 0	24.33
Subject to certain exemptions laid down in the act 48 and 49 Vict., c. 51.		
Covenant, deed of, not chargeable with ad valorem duty	0 10 0	2.43

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money.
Debenture or certificate for drawback, or goods exported, etc.:		
Not exceeding £10 ($48.66)	0 1 0	$0.24
Exceeding £10 ($48.66) and not exceeding £50 ($243.32)	0 2 6	.60
Exceeding £50 ($243.32)	0 5 0	1.21
Delivery order of goods of the value of 40*s.* ($9.73) or upwards, lying in any dock, port, warehouse, or wharf, or rent, or hire, on the sale or transfer of goods	0 0 1	.24
Demise. (*See* Lease.)		
Distiller's annual license, United Kingdom	10 10 0	51.09
Dogs of any kind (annually), Great Britain	0 7 6	1.82
Dogs under six months of age, and those kept solely for the purpose of tending sheep or cattle on a farm, or by shepherds, or by blind persons for their guidance, exempt.		
Duplicate or counterpart: The same duty as original, but not to exceed 5*s.*		
Ecclesiastical licenses:		
To hold the office of lecturer, etc	0 10 0	2.43
For licensing a building for the performance of divine service, etc., and any chapel for solemnizing marriages therein	0 10 0	2.43
Licenses not otherwise charged	2 0 0	9.73
Faculty or dispensation:		
In England, in all cases	30 0 0	145.99
In Scotland or Ireland—		
In some cases	20 0 0	97.33
In others	25 0 0	121.66
Fees are taken in all public departments by means of stamps; such payments are accounted for to the exchequer under the heading of Miscellaneous revenue.		
Game licenses, United Kingdom:		
If taken out after July 31 and before November 1, to expire on July 31, following	3 0 0	14.59
After July 31, to expire following October 31	2 0 0	9.73
After October 31, to expire July 31	2 0 0	9.73
License for a continuous period of fourteen days	1 0 0	4.86
Gamekeepers, Great Britain, to expire July 31	2 0 0	9.73
Deputation of, stamp duty	0 10 0	2.43
Gamekeepers, Ireland, same as game licenses.		
Game dealer's license, United Kingdom, annually	2 0 0	9.73
Gun, license to use or carry, United Kingdom, annually, to expire on July 31.	0 10 0	2.43
Hawkers' licenses, Great Britain (*see* Peddlers), per year:		
For each horse or other beast of burden	4 0 0	19.46
Half year ending September 30 or March 31	2 0 0	9.73
Hawkers' licenses, Ireland:		
For each horse or other beast of burden—		
One year	4 4 0	20.43
Six months	2 2 0	10.21
For every additional beast—		
One year	2 2 0	10.21
Six months	1 1 0	5.10
For every servant—		
One year	2 2 0	10.21
Six months	1 1 0	5.10
House agents, letting furnished houses at a rent above £25 ($121.66) a year, annual license, United Kingdom	2 0 0	9.73
House duty: On inhabited houses of the annual value of £20 ($97.33), occupied as a farm-house, public house, coffee-shop, shop, or warehouse, a duty of 6*d.* ($0.12) in the pound; all others	0 0 9	.18
Insurance policies:		
Life:		
For any sum not exceeding £10 ($48.66)	0 0 1	.02
Exceeding £10 ($48.66) and not exceeding £25 ($121.66)	0 0 3	.06
Exceeding £25 ($121.66) and not exceeding £500 ($2,433.25), for every £50 ($243.32) or fractional part of £50 ($243.32)	0 0 6	.12
Exceeding £500 ($2,433.25) and not exceeding £1,000 ($4,866.50), for every £100 ($486.65) or fractional part of £100 ($486.65)	0 1 0	.24
Exceeding £1,000 ($4,866.50), for every £1,000 or any fractional part of £1,000	0 10 0	2.43
Accidental death, or personal injury, or loss or damage upon property	0 0 1	.02
Sea: For every £100 ($486.65) or fraction thereof insured	0 0 3	.06
For every policy for time, for every £100 ($486.65) and any fractional part of £100 thereby insured, for any time not exceeding six months, 3*d.* ($0.06); not exceeding twelve months	0 0 6	.12
Inventory duty. (*See* Probate duty.)		
Land tax: The quota payable by each parish as fixed in the year 1798 (less the amount redeemed) is raised by an equal pound rate.		
Leases: Lease or tack of any lands, tenements, etc., at a yearly rent:		
Not exceeding thirty-five years:		
Not exceeding £5 ($24.33)	0 0 6	.12
Exceeding £5 ($24.33) and not exceeding £10 ($48.66)	0 1 0	.24
Exceeding £10 ($48.66) and not exceeding £15 ($72.99)	0 1 6	.36
Exceeding £15 ($72.99) and not exceeding £20 ($97.33)	0 2 0	.48

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money.
Leases: Lease or tack of any lands, tenements, etc., at a yearly rent—Cont'd.		
Not exceeding thirty-five years.—Continued.		
Exceeding £20 ($97.33) and not exceeding £25 ($121.66)	0 2 6	$0.60
Exceeding £25 ($121.66) and not exceeding £50 ($243.32)	0 5 0	1.21
Exceeding £50 ($243.32) and not exceeding £75 ($364.98)	0 7 6	1.82
Exceeding £75 ($364.98) and not exceeding £100 ($486.65)	0 10 0	2.43
Exceeding £100 ($486.65), for £50 ($243.32) or fractional part of £50	0 5 0	1.21
Between thirty-five years and one hundred:		
Not exceeding £5 ($24.33)	0 3 0	.73
Exceeding £5 ($24.33) and not exceeding £10 ($48.66)	0 6 0	1.46
Exceeding £10 ($48.66) and not exceeding £15 ($72.99)	0 9 0	2.19
Exceeding £15 ($72.99) and not exceeding £20 ($97.33)	0 12 0	2.92
Exceeding £20 ($97.33) and not exceeding £25 ($121.66)	0 15 0	3.65
Exceeding £25 ($121.66) and not exceeding £50 ($243.32)	1 10 0	7.29
Exceeding £50 ($243.32) and not exceeding £75 ($364.98)	2 5 0	10.94
Exceeding £75 ($364.98) and not exceeding £100 ($486.65)	3 0 0	14.59
Exceeding £100 ($486.65), for £50 ($243.32) or fractional part of £50	1 10 0	7.29
Exceeding one hundred years:		
Not exceeding £5 ($24.33)	0 6 0	1.46
Exceeding £5 ($24.33) and not exceeding £10 ($48.66)	0 12 0	2.93
Exceeding £10 ($48.66) and not exceeding £15 ($72.99)	0 18 0	4.38
Exceeding £15 ($72.99) and not exceeding £20 ($97.33)	1 4 0	5.83
Exceeding £20 ($97.33) and not exceeding £25 ($121.66)	1 10 0	7.29
Exceeding £25 ($121.66) and not exceeding £50 ($243.32)	3 0 0	14.59
Exceeding £50 ($243.32) and not exceeding £75 ($364.98)	4 10 0	21.89
Exceeding £75 ($364.98) and not exceeding £100 ($486.65)	6 0 0	29.19
Exceeding £100 ($486.65), for £50 ($243.32) or fractional part of £50	3 0 0	14.59
Agreement for lease not exceeding thirty-five years, same as actual lease.		
Legacy and succession duties (*also see* Probate duty):		
If the deceased died on or after June 1, 1881, every pecuniary legacy or residue, or share of residue, although not of the amount or value of £20 ($97.33), is chargeable with duty by the 44 Vict., cap. 12, sec. 42.		
(Except where the whole personal estate does not exceed £300 ($1,459.95), and a stamp duty of 30*s.* ($7.29) has been paid on the affidavit. In such cases no legacy duty whatever is payable (44 Vict., c. 12, sec. 36). No succession duty is payable where the principal value of the whole succession does not amount to £100 ($486.65), or where the value of the individual succession as calculated by the act is less than £20 ($97.33) (16 and 17 Vict., c. 51, sec. 18).		
Rates of duties payable on legacies, annuities, residues and successions: To children of the deceased, or their descendants, or to the father or mother, or other lineal ancestor of the deceased (see below), 1 per cent.; to brothers and sisters of the deceased or their descendants, 3 per cent.; to brothers and sisters of the father or mother of the deceased, or their descendants 5 per cent.; to brothers and sisters of the grandfather or grandmother of the deceased, or their descendants, 6 per cent.; to any person in any other degree of collateral consanguinity, or to a stranger in blood to the deceased, 10 per cent.; the husband or wife is not chargeable with duty, and the husband or wife of a relation is chargeable with duty at the lower rate.		
(In cases where the grant of probate or administration has been obtained on or after June 1, 1881, the duty at the rate of 1 per cent. is not payable upon legacies or residue or successions satisfied out of, or consisting of, estate and effects according to the value whereof stamp duty shall have been paid on the affidavit or inventory or account in conformity with the 44 Vict., c. 12. Lagacies, residues, and successions satisfied out of, or consisting of, estate and effects on which stamp duty is not payable, as, for example, foreign property and real estate, are still liable to the duty at the rate of 1 per cent.)		
Penalties: Persons paying or receiving any legacy, residue, or share of residue liable to duty, without taking or signing the proper receipt for the same, are subject to a penalty of 10 per cent. on the amount or value of such legacy, residue, or share of residue. Persons not giving notice of a succession, or not delivering an account, are subject to a penalty of 10 pe rcent. upon duty calculated at 1 per cent. for every month of delay.		
Letter of allottment of any share	0 0 1	.02
Letters patent, grant of, to any honor or dignity, viz: Duke £350 ($1,703.27); marquis, £300 ($1,459.95); earl, £250 ($1,216.62); viscount, £200 ($973.30); baron, £150 ($729.97); precedence, £100 ($486.65); baronet, £100 ($486.65); *Congé d' élire* to elect an archbishop or bishop, £30 ($145.99); any other honor or dignity, £30 ($145.99). Change of surname or arms, in accordance with will, £50 ($243.32); upon voluntary application, £10 (48.66).		
Male servants, annual license (Great Britain): Every male servant	0 15 0	3.65
Marriage license:		
Special, England and Ireland	5 0 0	24.43
Not special	0 10 0	2.33

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money.
Medicines (patent), Great Britain only, not exceeding—		
1s. ($0.24)	0 0 1½	$0.03
2s. 6d. ($0.60)	0 0 3	.06
4s. ($0.97)	0 0 6	.12
10s. ($2.43)	0 1 0	.24
20s. ($4.86)	0 2 0	.48
30s. ($7.29)	0 3 0	.73
50s. ($12.16)	0 10 0	2.43
Exceeding 50s. ($12.16)	1 0 0	4.86
Medicines (patent), dealers, etc., annual license (Great Britain)	0 5 0	1.21
Mortgage bonds, etc.: Bonds and all other securities (foreign or otherwise, except colonial), when payable to bearer:		
For every £10 ($48.66) and fractional part of £10	0 1 0	.24
Substituted securities for any of the above:		
For every £20 ($97.33) and fractional part of £20	0 0 6	.12
Mortgage bond, etc., of any other description, not exceeding:		
£10 ($48.66)	0 0 3	.06
25 ($121.66)	0 0 8	.16
50 ($243.32)	0 1 3	.30
100 ($486.65)	0 2 6	.60
150 ($729.97)	0 3 9	.91
200	0 5 0	.....
250	0 6 3	.....
300	0 7 6	.....
Exceeding £300 ($1,459.95), for every £100 ($486.65) and fractional part of £100	0 2 6	.60
Transfer, assignment, and reconveyance, etc., of for every £100 ($486.65) or fractional part thereof	0 0 6	.12
Occasional licenses, per day:		
Publicans	0 2 6	.60
Beer retailers	0 1 0	.24
Wine retailers	0 1 0	.24
Tobacco dealers	0 0 4	.08
Passenger vessels on board which excisable liquors and tobacco are sold:		
License for a year	5 0 0	24.33
one day	1 0 0	4.86
Passport	0 0 6	.12
Patent (letters) for inventions:		
(a) Up to sealing:		
On application for provisional protection	1 0 0	4.86
On filing complete specification	3 0 0	14.59
Or on filing complete specification with first application	4 0 0	19.46
(b) Further before end of four years from date of patent: On certificate of renewal	50 0 0	243.32
(c) Further before end of seven years, or in the case of patents granted after January 1, 1884, before the end of eight years from date of patent: On certificate of renewal	100 0 0	486.65
Or in lieu of the fees of £50 ($243.32) and £100 ($486.65) following annual fees:		
Before the expiration of the—		
4th year from the date of the patent	10 0 0	48.66
5th year from the date of the patent	10 0 0	48.66
6th year from the date of the pa ent	10 0 0	48.66
7th year from the date of the patent	10 0 0	48.66
8th year from the date of the patent	15 0 0	72.99
9th year from the date of the patent	15 0 0	72.99
10th year from the date of the patent	20 0 0	97.33
11th year from the date of the patent	20 0 0	97.33
12th year from the date of the patent	20 0 0	97.33
13th year from the date of the patent	20 0 0	97.33
Other small fees are also payable of such amount as may be from time to time prescribed by the board of trade with the sanction of the treasury.		
Pawnbrokers:		
Annual license, United Kingdom	7 10 0	36.49
Trading in plate without regard to weight, an additional	5 15 0	27.98
Peddlers, police license	0 5 0	1.21
Plate:		
Gold, per ounce	0 17 0	4.13
Silver, per ounce	0 1 6	.36
Dealers in gold and silver plate, annual license, United Kingdom:		
Above 2 pennyweights and under 2 ounces gold, or above 5 pennyweights and under 30 ounces silver, in one article	2 6 0	11.19
Two ounces gold, or 30 ounces silver, or upwards	5 15 0	27.98
Refiners of gold or silver, annual license, United Kingdom	5 15 0	27.98
Power of attorney, etc.:		
Receiving prize-money or wages	0 1 0	.24
For sale, transfer, or receipt of any of the Government funds not exceeding £20 ($97.33) or dividends not exceeding £10 ($48.66) per annum	0 5 0	1.21
If for one payment only	0 1 0	.24

Inland revenue—Excise, stamps, and taxes—Continued.

	English money.			American money.
	£	s.	d.	
Power of attorney, etc.—Continued.				
In other cases	0	10	0	$2.43
Proxy to vote at a meeting	0	0	1	.02
Of any other kind	0	10	0	2.43
Probate and account duty. (*Also see* "Legacy and succession duty.")				
On affidavit of value for probate or letters of administration and inventory (unless a former inventory exhibited before June 1, 1881) of estate in respect of which probate of letters of administration granted or inventory exhibited on and after June 1, 1881, except as hereafter mentioned, and on an account to be delivered to commissioners of inland revenue under 44 Vict., c. 12, s. 38, on death of person dying on or after June, 1881, of (1) donationes mortis causâ, (2) beneficial interest in property accruing by survivorship, (3) property passing under voluntary settlement, interest for life or absolute power of revocation reserved to settler: Where value exceeds £100 ($486.65), and not £500 ($2,433.25), £1 ($4.86), for each £50 ($243.32) or fraction of £50 ($243.32); where value exceeds £500 ($2,433.25) and not £1,000 ($4,866.50), £1 5*s.* ($6.01), for each £50 ($243.32) or fraction of £50 ($243.32); where value exceeds £1,000 ($4,866.50), £3 ($14.59) for each £100 ($486.65) or fraction of £100 ($486.65).				
The value of estate of person dying domiciled in United Kingdom may be ascertained by deduction of debts due to persons resident in United Kingdom, and funeral expenses.				
The legacy and succession duties at 1 per cent. are not payable on assets covered by the stamp on the affidavit inventory or account.				
On affidavit of value or inventory where gross value of personal estate in United Kingdom or abroad of person dying on or after June 1, 1881, does not exceed £300 ($1,459.95).				
A fixed duty of 30*s.* ($7.29), which satisfies legacy and succession duties on property to which the affidavit or inventory relates.				
The stamp duty of 5*s.* ($1.21) per cent. paid on deed of voluntary settlement of property included in an account will be returned, on production of deed, to person delivering the account.				
Heavy penalties are imposed for not paying probate and account duties within prescribed time.				
Exemptions.—Affidavit or inventory of estate under £100 ($486.65) of person dying after July 25, 1864, and of estate of any common seaman, marine, or soldier slain or dying in Her Majesty's service.				
For probate and inventory duty payable on grants of probate and letters of administration, and on inventories before June 1, 1881 (see 55 Geo. III, c. 184, schedule, part 3, and 43 Vict., c. 14, schedule).				
Property and income tax, 1885-'86. In the pound sterling—				
Schedule A, lands, tenements, etc	0	0	8	.16
Schedule B—				
Occupiers of farms, etc	0	0	4	.08
Scotland and Ireland	0	0	3	.06
Nurseries and market gardens	0	0	8	.16
Compositions for tithes	0	0	2¾	.04
Schedule C, D, and E, income	0	0	8	.16
If under £150 ($729.91), exempt; if under £400 ($1,946.60), the tax is not chargeable upon the first £120 ($583.98).				
Publicans, annual licenses, United Kingdom, for spirits, beer, and wine, to be consumed on the premises:				
If annual value is under £10 ($48.66)	4	10	0	21.89
If value of—				
£10 ($48.66) and under £15 ($72.99)	6	0	0	29.19
£15 ($72.99) and under £20 ($97.33)	8	0	0	38.93
£20 ($97.33) and under £25 ($121.66)	11	0	0	53.53
£25 ($121.66) and under £30 ($145.99)	14	0	0	68.13
£30 ($145.99) and under £40 ($194.66)	17	0	0	82.73
£40 ($194.66) and under £50 ($243.32)	20	0	0	97.33
£50 ($243.32) and under £100 ($486.65)	25	0	0	121.66
£100 ($486.65) and under £200 ($973.30)	30	0	0	145.99
£200 ($973.30) and under £300 ($1,459.95)	35	0	0	170.32
£300 ($1,459.95) and under £400 ($1,946.60)	40	0	0	194.66
£400 ($1,946.60) and under £500 ($2,433.25)	45	0	0	218.99
£500 ($2,433.25) and under £600 ($2,919.90)	50	0	0	243.32
£600 ($2,919.90) and under £700 ($3,406.55)	55	0	0	267.65
£700 ($3,406.55) and upwards	60	0	0	291.99
Hotels and theaters of the value of £50 ($243.32) and upwards pay no higher amount of license duty than £20 ($97.33), and restaurant keepers pay no higher amount than £30 ($145.99) under certain conditions. Publicans keeping their premises closed the whole of Sunday, or closing one hour sooner than otherwise required on week-days, pay only six-sevenths of the above amounts; and keeping closed on Sunday, and also closing one hour earlier each day through the week, only five-sevenths of the above amounts. All retailers of intoxicating liquors selling for consumption on the premises are similarly entitled. (*See, also*, Beer dealers.)				

Inland revenue—Excise, stamps, and taxes—Continued.

	English money. £ s. d.	American money
Railways, on passenger receipts per £100 ($486.65) in Great Britain, but subject to an exemption in respect of fares not exceeding the rate of 1 penny a mile:		
Urban district traffic	2 0 0	$9.73
Other traffic	5 0 0	24.33
Receipts, £2 ($9.73) or upwards	0 0 1	.02
Refreshment houses, annual license, England and Ireland:		
Under £30 ($145.99) rent	0 10 6	2.55
£30 ($145.99) or above	1 1 0	5.10
Scrip certificate or scrip	0 0 1	.02
Settlements: Any deed whereby any definite sum or share settled upon, or for the benefit of a person, for every £100 ($486.65) or part of £100 ($486.65)	0 5 0	1.21
Share warrant to bearer, three times the amount of transfer or conveyance duty.		
Spirits—		
Home-made, per proof gallon	0 10 0	2.43
Imported from Channel Islands, per proof gallon	0 10 4	2.51
Distillers or rectifiers, annual, United Kingdom	10 10 0	51.09
Dealers, not retailers, annual, United Kingdom	10 10 0	51.09
Dealers, to sell in bottles, additional	3 3 0	15.32
Dealers, or to sell foreign liquors only in bottles	2 2 0	10.21
Methylated, makers of, annual, United Kingdom	10 10 0	51.09
Methylated, retailers of, annual, United Kingdom	0 10 0	2.43
Retailers of. (*See* Publicans.)		
Grocers, Scotland, annual license (including sale of beer), not to be consumed on the premises:		
Premises under value of £10 ($48.66)	4 4 0	20.43
Of value of—		
£10 ($48.66) and under £20 ($97.33)	5 5 0	25.54
£20 ($97.33) and under £25 ($121.66)	9 9 0	45.98
£25 ($121.66) and under £30 ($145.99)	10 10 0	51.09
£30 ($145.99) and under £40 ($194.66)	11 11 0	56.20
£40 ($194.66) and under £50 ($243.32)	12 12 0	61.31
£50 ($243.32) and upwards	13 13 0	66.42
Grocers, Ireland, annual license, selling spirits not to be consumed on the premises:		
If rated under £25 ($121.66)	9 18 5½	48.27
If rated at—		
£25 ($121.66) and under £30 ($145.99)	11 0 6	53.65
£30 ($145.99) and under £40 ($194.66)	12 2 0½	58.88
£40 ($194.66) and under £50 ($243.32)	13 4 7	64.37
£50 ($243.32) and upwards	14 6 7¾	69.75
Stills, annual license, United Kingdom, chemists and others, keeping or using.	0 10 0	2.43
Sweets—		
Dealers in, annual license, United Kingdom	5 5 0	25.54
Retailers of, annual license, United Kingdom	1 5 0	6.07
Tobacco and snuff, dealers in, annual license, United Kingdom	0 5 3	1.27
Tobacco and snuff manufacturers, annual license, United Kingdom:		
Of quantity not exceeding 20,000 pounds	5 5 0	25.54
Exceeding—		
20,000 pounds and not exceeding 40,000 pounds	10 10 0	51.09
40,000 pounds and not exceeding 60,000 pounds	15 15 0	76.64
60,000 pounds and not exceeding 80,000 pounds	21 0 0	102.19
80,000 pounds and not exceeding 100,000 pounds	26 5 0	127.73
100,000 pounds	31 10 0	153.29
Beginners to pay £5 5*s.* ($25.54) and a surcharge on renewal.		
Transfer of stock. (*See* Conveyance.)		
Vinegar-makers, annual license, United Kingdom	5 5 0	25.54
Voting paper	0 0 1	.02
Warrant for goods	0 0 3	.06
Wine merchants (for wine only), annual license, United Kingdom	10 10 0	51.09
Wine retailers, annual license, selling for consumption on the premises, United Kingdom	3 10 0	17.02
Wine retailers (or grocers) selling wine not to be consumed on the premises, England and Ireland, annual license	2 10 0	12.16
Wine retailers (grocers), Scotland, annual license	2 4 1	10.72
DEEDS STAMPED AFTER EXECUTION.		
Regulations under which the commissioners of inland revenue as a general rule allow deeds and other instruments to be stamped after execution:		
Without penalty in payment of the duty only:		
Agreements under hand only, liable to the duty of 6*d.* Appraisements. Attested copies within fourteen days of first execution. Life policies, within one month of first execution.		

Inland revenue—Excise, stamps, and taxes—Continued.

Articles.	English money.			American money.
DEEDS STAMPED AFTER EXECUTION.				
Regulations under which the commissioners of inland revenue as a general rule allow deeds and other instruments to be stamped after execution.				
Without penalty in poyment of the duty only.				
Deeds and instruments not otherwise excepted, within two months of first execution.				
Where the deed or instrument has been wholly executed abroad, the period within which it may be stamped begins to reckon from the date of its arrival in this country.				
With penalty in addition to payment of the duty:				
Articles of clerkship.				
Bills of exchange written upon stamps of sufficient amount but of improper denomination.				
Charter-parties. Receipts. Within certain limits of time. (*Vide* Table of Penalties.)				
Contract notes. Delivery orders.				
Letters of allotment. Scrip certificates.				
Share warrants. Warrants for goods.				
Instruments which can not be legally stamped after execution:				
Bills of exchange (except as before mentioned).				
Bills of lading.				
Marine policies executed in the United Kingdom.				
Proxies. Voting papers.				
Table of penalties usually enforced:				
Agreements under hand only. Attested copies or extracts: After the expiration of fourteen days from their first execution	£	s.	d.	
	10	0	0	$48.66
Charter-parties, within seven days from their first execution	0	4	6	1.09
Charter-parties, after the expiration of seven days, but within one month	10	0	0	48.66
Receipts, within fourteen days after they have been given	5	0	0	24.33
Receipts, after fourteen days, but within one month (beyond this period receipts can not be stamped under any conditions	10	0	0	48.66
Other instruments not enumerated, excepting those which can not be legally stamped after execution	10	0	0	48.66
All applications for the remission, mitigation, or return of penalties must be made by memorial addressed to the commissioners of inland revenue, Somerset House, and supported by statutory declaration, such declaration being exempt from stamp duty.				

[Inclosure 2.]

The customs tariff.

Articles.	English money.			American money.
	£	s.	d.	
Beer, mum, and spruce:				
The original specific gravity not exceeding 1.215 degrees.....per barrel..	1	6	0	$6.32
Exceeding 1.215 degrees .....per barrel..	1	10	6	7.41
Other, the worts of which were before fermentation of a specific gravity of 1.057 degrees	0	6	6	1.58
And so in proportion for any difference in gravity.				
Cards (playing).....per doz. packs..	0	3	9	.91
Chicory:				
Raw or kiln-dried .....cwt..	0	13	3	3.22
Roasted or ground .....lb..	0	0	2	.04
And coffee mixed.....lb..	0	0	2	.04
Chloral hydrate .....lb..	0	1	3	.30
Chloroform.....lb..	0	3	0	.73
Cocoa .....lb..	0	0	1	.02
Cocoa husks and shells .....cwt..	0	2	0	.48
Cocoa or chocolate, ground, prepared, or in any way manufactured .....lb..	0	0	2	.04
Coffee:				
Raw.....cwt..	0	14	0	3.40
Kiln-dried, roasted, or ground.....lb..	0	0	2	.04
Collodion.....gal..	1	4	0	5.83
Ether, sulphuric .....gal..	1	5	0	6.07
Ethyl, iodide of .....gal..	0	13	0	3.16
Fruit (almonds and dates free), dried.....cwt..	0	7	0	1.70
Naphtha, or methylic alcohol (pure) ....gal..	0	10	4	2.51
Plate:				
Gold .....oz..	0	17	0	4.13
Silver .....oz..	0	1	6	.36
Soap, transparent, in the manufacture of which spirit has been used.....lb..	0	0	3	.06

The customs tariff—Continued.

Articles.	English money.			American money.
	£	s.	d.	
Spirits:				
Brandy, Geneva, rum, and unenumerated ..... gal..	0	10	4	$2.51
Perfumed spirits, and cologne water ..... gal..	0	16	6	4.01
Sweetened, unenumerated in bottle, not tested for ascertaining the strength ..... gal..	0	14	0	3.40
Tea ..... lb..	0	0	6	.12
Tobacco:				
Unmanufactured ..... lb..	0	3	6	.85
Containing less than 10 per cent. of moisture ..... lb..	0	3	10	.93
Cigars ..... lb..	0	5	6	1.33
Cavendish, or negro-head ..... lb .	0	4	10	1.17
Cavendish, manufactured in bond ..... lb..	0	4	4	1.05
Snuff ..... lb..	0	4	1	.99
Snuff, not more than 13 pounds (in 100 pounds) moisture ..... lb..	0	4	10	1.17
Other manufactured ..... lb..	0	4	4	1.05
Varnish (containing spirit). For rates of duty, see Spirits.				
Wine:				
Not exceeding 30 degrees proof spirit ..... gal..	0	1	0	.24
Exceeding 30 degrees, but not exceeding 42 degrees ..... gal..	0	2	6	.60
For each additional degree of strength beyond 42 degrees ..... gal..	0	0	3	.06
Warehoused goods, except tobacco, 5*s.* ($1.21) per cent. additional. Tobacco, 2*s.* 6*d.* ($0.60) per cent. additional.				
CUSTOMS DRAWBACKS.				
Coffee (roasted) shipped as stores ..... per cwt..	0	14	0	3.40
Plate:				
Gold, wrought in United Kingdom ..... oz..	0	17	0	4.13
Silver, wrought in United Kingdom ..... oz..	0	1	6	.36
Tobacco, manufactured in United Kingdom (except cavendish or negro-head manufactured in bond), exported or deposited in warehouse for ships' stores ..... lb..	0	3	7	.87
Snuff of British manufacture ..... lb .	0	3	7	.87
All articles upon which duties are levied by the board of inland revenue are charged with similar duties if imported from abroad.				

TAXATION—BY PROF. ROGERS.

[Inclosure 3.]

(1) The amount of local taxation which English people pay is enormous. The manner in which it is raised is scandalous. The way in which it is spent is unconstitutional, if indeed taxation and representation should go together. The objects on which it is expended are constantly the property of those who do not contribute to it, belong to people who see their estates greatly increased in value by the outlay of others. The imposition is anomalous, the administration even more anomalous. The legislature, overburdened, ignorant, ever wasting its time in party struggles or in debating that which may furnish matter for party quarrels, allows the most important domestic interests to be determined by departments, and suffers itself to be the agent, often the unconscious agent, by which the whole mass of the community is plundered in the interests of a narrow, organized, and aggressive class—the land-owners. If a change is needed, a reform is urgent, a duty is to be performed, the suggestion is instantly made to put it on the rates, and generally with success. This means casting it on the occupier, whether justly or unjustly. On the other hand, the land-owners have contrived to transfer to the income-tax payers a very large part of that which more immediately used to fall on them, and to evade a just contribution which they, in their capacity of occupiers, ought to bear. There is no part of our social system which proves more conclusively how the industry and fortunes of the country are in the grip of an aristocratical faction than the English system of local taxation does. I hope in a series of papers to make this plain.

In England nearly all local taxation is imposed on occupancy. In Scotland and Ireland it is divided between owner and occupier. In Scotland it was formerly almost entirely defrayed by owners, till these contrived by the action of Parliament to force the occupiers into contributing a moiety. Now it is important to know how this peculiarity in the English system arose, because it explains how Englishmen have become familiar with an injustice, which, had it come suddenly upon them, would have aroused the most indignant, effective, and energetic remonstrance

Originally the first object for which local taxation was imposed was the repair of roads and bridges. Up to little more than a century ago English roads were either

the great highways which were constructed mainly for military purposes during the Roman occupation, or by-ways which the convenience of a locality had connected with these highways. There are very few English villages of ancient date which were not planted on or near these ancient highways. Now it was any one's interest to keep these highways in repair. Landed property was exceedingly scattered, and most owners were also occupiers. It was a feature in early English society that every man, from the King to the peasant, was the permanent occupier and cultivator of land. The great owners were more interested in keeping up communications between their properties than the peasant owners were. This was particularly the case with the monasteries, which were, among other offices, the great builders of bridges. Communication between place and place by carts and wagons was easier in the days of the first Edwards than it was in the days of the first Georges. In course of time roads were mended by statute labor, and later still a county rate was imposed on occupiers by the descendants or substitutes of those who gladly undertook the charges themselves in old times. I have read many thousands of ancient farm accounts, in which income and expenditure is accounted for to halves of farthings. If modern farmers had continued the fashions of their remote ancestors, fewer of them would have been ruined within the last dozen years. But in all these accounts I have never come across a single instance of a rate levied for the repair of roads. And yet I am sure that the roads were good, for I know how much time it took to traverse known distances with heavy goods both in summer and winter.

Another ancient rate, first imposed uniformly, was that for the relief of the poor. This, as everybody knows, was made compulsory in the latter end of Elizabeth's reign. The English Government at that time knew that discontent in England was dangerous, especially when it could be traced to government or bad custom. The rebellions of Tyler and Cade and Kett had shaken the country to its foundations. The Queen and her counsellors determined to reduce to a system what had been tried with very imperfect success for two generations already. But it was still an experiment. The poor law was only enacted from Parliament to Parliament. It was first made perpetual at the restoration.

The poor rate was levied on the occupier from the beginning. But occupancy, three centuries ago, was very different from occupancy now. A great percentage of occupying farmers were freeholders. Of those who cultivated the lands of others, the vast majority were beneficial lessees, whose rents were practically fixed, and whose tenancies were secure as long as they paid their dues. To make these persons pay for the maintenance of the destitute was to make them pay for the support of those who, under wages fixed by the quarter sessions, had worn themselves out in the direct service of their employers. What could be fairer than to make those who had used the laborer's skill and strength for their own advantage, and had not paid him enough to make provision against old age, maintain the destitute poor of their own creation?

This obligation was the greater when the poor law was made perpetual, and the new law of parochial settlement made the peasant laborer what Cobden called him, "a serf without land." It can not be by accident that this severe law, restraining the laborer from bettering his condition by migration, was simultaneous with the first law directed against the free importation of foreign corn. This journal has often commented on the injustice of Parliament in relieving land-owners from their liabilities to public charges at the expense of those who consumed excisable articles, one of the best known among the iniquities of the restoration. But if any one were to study the financial expedients of Charles the Second's long Parliament, he would find abundant evidence of the conspiracy which dealers in land then began against dealers in labor and capital. It is not my object here to dwell on it. But its effects survive to the present day, and bring about present disasters.

Now let us survey what local taxation was when the principle had been established that the occupier should be made responsible for it. The persons who paid the tax were the same persons as had employed the labor, and who, having presumably enjoyed the advantages of the workman's strength and health, were, as the law affirmed, under the obligation of maintaining him in weakness and sickness. To this practical uniformity there was only an apparent exception. The tithe-owner was made to pay on the value of his receipts. Now, for this policy there were two reasons. In the first place, there was an ancient and universal impression that the income of those who lived on religious endowments was chargeable with the relief of destitution. It was alleged, perhaps with reason, that there were historical grounds for this position; it was generally believed that there were moral grounds for it. The other reason was that they whose income was emphatically the produce of labor, to the sustenance or wages of which the tithe-owner contributed nothing, should pay an aid to those on the efficiency of whose labor their own income depended. The theory of Elizabeth's poor law was that those who profited by labor should help labor in its adversities.

In course of time what was occupancy with ownership became occupancy without ownership, and the charge of the poor rate remained on the occupier. As time went

further on, and the habits of society changed, many of those who did not employ labor at all with an eye to their own profit, became owners or occupiers, and were charged with that which was originally to be paid by those who made profit out of labor. In this way—for the poor rate was, and to some extent the new poor law is, an insurance on labor—they who made profit from labor were assisted in the subvention which the poor rate gives, now very grudgingly to labor, by those who made no profit by labor. I do not mention this to find fault, for the relief of the deserving and destitute poor is a universal duty on those who have the means for aiding it, but to merely point out what is the economical basis of a rate levied on all occupiers for the support of sick or destitute persons.

Now that the rent of land, and the tithe and charge of land, were intended to support destitution is proved by the argument which was always brought forward on behalf of inclosures by act of Parliament. Between 1706 and 1854 fully nine millions of acres of land were inclosed by this means, and thereby were turned from a more or less common use to a private and fenced use. The wrong which was done to the parish laborers was continually commented on when the proceedings were taken. Of course, if justice had been done, the rights of the laborers should have been secured by reserving a rent equivalent to the interests of the laborers, and employed for their benefit under some well-devised scheme, their share increasing with the increased value of the land. With such a reservation, inclosures would have been a manifest public benefit. But the answer always made was that the relief of the poor was a first charge on the land, and that therefore the profits which were taken away from labor were secured to them in another shape. Of course such an equity was never aimed at. The peasant was deprived of his common rights, and his wages were stereotyped by the quarter sessions. The defense of the old corn laws was constantly that, as a laborer was maintained out of the rates, it was of little consequence to him what the price of corn was.

The new poor law was very severe and very necessary. But it should have followed, not preceded, the abolition of the corn laws.

(2) I do not think, on reflection, that I shall be able to make the history of local taxation clear, unless I say a little about the process by which a general system of occupying ownership, which widely prevailed when local taxation was first imposed for one particular purpose, has been changed into a system under which the vast mass of Englishmen are tenants at will to a comparatively small number of land-owners. For it is well known that what is called the English Doomsday, of the other day, is entirely delusive, since one land-owner may be, and is, counted over and over again, so that ten, twenty, thirty, or even forty apparent owners are, in each of the cases, one person only.

It is one of the common sophistries of those who defend the existing system to say that their estates have come into the hands of their present owners by reason of the fact that former owners have thought it or found it expedient to sell them. Now, in the first place, this is not true. Many of the largest properties in this country were founded out of the great scramble for national estates after the dissolution of the monasteries. Next, as I have said previously, 9,000,000 of acres have been inclosed by act of Parliament. If they had belonged to those who inclosed them, why did they who got them go to the expense of private acts of Parliament for the purpose of holding their own?

But, apart from these considerations, it may be safely taken for granted that what has happened to the families who have voluntarily sold their estates has also happened to those families who have bought these estates, and, under the forms of a settlement, have been debarred from selling them. There are few, very few, ancient families which have not been, over and over again, in far greater straits than those smaller freeholders who have turned their land into money. Nay, even the protection of a settlement has often been ineffectual in the case of spendthrifts and prodigals; and till recently hardly a session of Parliament passed in which some private bill, always originated in the Lords, has not been framed, under which the legislature has interposed to protect a family from the misconduct, the misfortune, or the vices of its existing head.

The Restoration was essentially the work of the great land-owners. During the civil war they had denounced the excise as an intolerable hardship and wrong. But when they got power into their hands they did what a certain school of politicians constantly does, they enacted that which they had previously denounced. There is nothing in financial history which is baser than the conduct of the land-owners after the Restoration, when they emancipated their own estates from ancient dues at the expense of the general public and by the imposition of the hereditary excise, while they kept for themselves exactly the same dues, which were, and still are, payable by their copyhold tenants. It is no marvel that they have, from that time forward, put every burden they could devise on the occupier, have used successfully their power in Parliament to pillage the general tax-payer, and are exacting half the income tax for the benefit of the great proprietors.

The land-owners of the Restoration, being all-powerful in Parliament, carried three measures, all of the greatest significance. These, together with the new system of completely tying up their estates and rendering them incapable of alienation, are the cause of much mischief even now. The first was to make the poor law perpetual, and to enact the law of parochial settlement, under which the laborer became a serf without land, and was disabled from bettering his condition. The next was the enactment for the first time of a prohibitive corn law, the rate at which foreign corn could be introduced, with a nominal duty, being higher than any recorded experience, except for a month or so in years of positive famine, and then but rarely. They thus strove at once to secure low rates of wages and high rates of food.

The third device was far more subtle, and one the purpose of which has only recently been discovered. Indeed, I believe that I was the first to mention it publicly, as I did in the House of Commons in my speech on local taxation. Into a measure of undoubted merit, and in some particulars of absolute necessity—the statue of frauds and perjuries—a clause was inscribed which had the effect of transferring, where a man was a freeholder, at a low or fee farm rent, and had no written evidence whereby to prove his title, the estate of such a person to the recipient of the small rent. I have often puzzled myself with trying to discover what the process was by which the numerous freeholders who were talked so much about in the first half of the seventeenth century became so scanty in the last half of the same epoch. This, however, was not the only result. The freeholders by custom, or by any other than a written conveyance, lost their votes with their freeholds, and so the land-owners began to get a firmer political grip on the counties and to settle the towns having representation, a majority of them being mere villages, along with the rest of their patrimonial estates. From the Restoration to the first reform bill the great land-owners were absolutely dominant in the constitution, and plundered the tax-payers at their pleasure. We have some relics of the pension list still left, but these are the veriest fragments of a gigantic system of pillage. The doctrine that men may have a right in a perpetual wrong was formulated, and had the name given it of a "vested interest."

Of course all this while the number of occupiers was growing and the number of owners was decreasing. Hence a system, the inherent injustice of which is obvious, became customary, and men learned to bear that patiently which they would have resented bitterly, and in all likelihood very efficiently, if it had come upon them of a sudden. And yet during this time the poor were getting yearly worse off. I have told their story in my "Six Centuries of Labor and Wages." And the only other existing charge of importance, the maintenance of roads, was scandalously neglected. If one reads the novels written in the middle of the eighteenth century one can find out how bad internal communication was. Meanwhile a savage code of laws slew the offenders which other laws had made by the dozen at a time. The gallows in England claimed yearly pretty well as many victims as the wars did; wars which were, by the way, waged, during the greater part of the same century, on behalf of the mercantile interest and at the expense of the general public.

During the last quarter of the eighteenth century and the first quarter of the nineteenth century the condition of the English workman was appalling. The wages of all workmen were fixed by the magistrates at quarter sessions, and at low enough rates to be sure. The sums conceded by those magistrates, and perhaps paid by the farmers and employers—for both grumbled constantly at the generosity of the magistrates—were entirely insufficient to obtain the barest means of existence. The foreign market for the supply of food had been deliberately and effectually destroyed, and the people were starving. So the Berkshire magistrates began a system which gradually spread over England and was legalized, that of paying wages out of the rates when the magnitude of a workman's family and the insufficiency of his wages rendered it impossible that he should live. This was called the allowance system.

Now, if those who employed the laborer and they only had paid the rate, the system would have been foolish enough, but would not have been unfair. But this was not the practice. The rate, as now, was levied on all occupiers, whether they employed labor or not; and thus not only the tithe-owner, who might reasonably be called to pay out of that, the produce of which was entirely due to the labor of those who were relieved, but those who did not employ labor at all, or employed it without wearing it out on insufficient wages, were called upon out of their incomes to make up the wages that the farmer could not pay. Even at the present day the wages of female domestic servants are constantly made the means by which the peasantry can subsist, or rather without which they could not.

It may be doubted whether the old system, devised in the first instance by the worst of selfishness and wrong-doing, would have come to an end, for abuses have a wonderful vitality, since they always have cunning and interested advocates, had it not been that at last the maintenance of the destitute industrious poor began to trench on the rent of land. In one or two parishes it absorbed the whole rent. The land-owners began to be frightened, and invented the new poor law. But they starved the people for nine years after they established the work-house test.

The evil was aggravated by the system of making every parish maintain its own poor. Hence, when a man owned the whole of a parish, he pulled down all the cottages and drove the laborers into the neighboring parishes. In this way he got his labor cheap, and put the cost of keeping it, when it was sick or disabled, on other people. This system of close and open parishes, as they were respectively called, prevailed long after the new poor law, and I well remember how people, who were otherwise just, not only defended the system, but were furious with those who criticised it.

I have thought it expedient to give a short sketch of the events which occurred during the last century and the earlier part of the present, because it is by the system which was thus gradually imposed on the occupier that the appalling and unjust mass of the local taxation which we now endure was developed.

(3) The debts on account of local taxation in England and Wales, according to the latest returns on the subject, amount to £159,000,000. Nearly the whole of this has been raised on the terminable system, *i. e.*, the debt is being cleared off by annual installments, principal and interest together. Most of this debt is for necessary but unproductive objects; for the cases in which those who inhabit the area of local taxation are purchasing the capital of gas and water works by this process are comparatively few. In many cases the obligation imposed on the locality, however necessary it may be to impose the obligation, comes in the form of departmental legislation. Englishmen are governed by departments to an extent of which they have no conception. Every year numbers of laws are passed which affect the fortunes, the liberties, and the industry of localities under the form of provisional orders, issued from the public offices and laid on the table of the house. In theory they may be debated, in practice they never are. The House of Commons is simply unable to perform any of the business it undertakes, and it never will be able until a vast amount of the business it pretends to perform is transferred, under adequate safeguards, to local parliaments, that is, till the principles of home rule are accepted throughout the United Kingdom.

Now, in England and Wales the whole of the local taxation, the annual charge on local liabilities, such as poor rate, highway rate, the liability to which is annually recurrent, and the whole charge for permanent improvements, as the laying out of new streets in old towns and sanitary systems of drainage, the cost of which is enormous and could not be met out of annual taxes, but must be met by a loan, which Parliament has all but invariably allowed to be negotiated on the terminable system, is paid by the occupier only. In Ireland it is divided between owner and occupier, and the occupier may deduct the charge from his rent. In Scotland it was originally paid by the owner only, but the Scotch land-owners have contrived to put a moiety on the Scotch occupiers. Now, though the expenditure of the £159,000,000 is, as I have said, generally unproductive, that is, yields no revenue, it is necessary; that is, the land would yield no revenue to the owner unless the outlay were incurred. A plot of land in the best part of a great city would be worth no more than a similar area in a desert if it had no road leading to it. It could not be safely inhabited if it was not properly drained or if it had no water supply.

These fundamental conditions of value are supplied at the cost of the occupier. The English occupiers in town and country, out of their industry or their savings, are engaged in improving the ground landlord's property, and not only bestowing on such a person all the outlay they make, but, as time goes on, they are regularly paying a rent on the improvement which their taxes have effected. The rate-payers of Liverpool or Manchester have each laid out, say, a couple of millions in an effective system of drainage. These four millions are as effective an improvement to the value of the ground landlord's property as they would have been if he had spent them himself, instead of employing the force of law to extort them from the occupier's pocket. The Irish farmer justly complains that he is taxed on his own improvements. So is the English occupier, especially in towns, and he bears it with a patience which argues ignorance if it does not stupidity.

The demand of occupiers gives the initial value to building sites. This demand may raise land from a value of £30 an acre to a value of £30,000 an acre. I find no fault with a scarcity price; it merely illustrates an inevitable social law. I see no reason why one should take away the accrued value of a ground rent any more than I see any reason in levying an exceptional tax on rare business or professional ability. The possessor of any fertility, whether it is natural or spontaneous, or induced by causes to which the owner has contributed nothing, seems to me to have as full a right to his property as another is in whose case the fertility is acquired by the possessor's own genius or labor, as is the case with a patentee, an iron-owner, an industrious man of business, a professional lawyer or physician who has gained a deserved reputation.

I do not, however, think that the owner of land on which houses are built ought to be able to employ his powers to steal, under the forms of law, the acquired fertility of another. For example, I have often had complaints made to me when I was a

metropolitan member of the way in which the agents of a great landlord rob a tenant in retail trade of his fertility—in this case his good will. I have been told that it is common in London, when a man has established a local business by his intelligence and integrity, for his landlord, at the end of his term, to demand a rent for renewal, sometimes a fine, which would swallow up the whole of his good will, and to extort it by a threat that he will turn the tenant out, advertise the shop and the business, and even suggest that there would be no difficulty in inducing the new tenant to trade under the old name. This kind of practice, however dignified and noble the person who profits by it, is to my mind mean, ignoble, and dishonest, and ought to be put a stop to in the interests of property, and, what is more, in the interests of common justice, by the legislature. But the great English land-owners are striving, by every means in their power, to make the English people socialists.

Nor again do I think that the ground landlord ought to be able to exact from the occupier the cost of that outlay which is essential in order that the land should possess any value at all, or, in other words, possess any fertility, let alone exceptional fertility. And when I say this, and illustrate this, I am finding fault with the law, not with the person who profits by the law. I aver that the man who profits by the outlay ought to make the outlay, and ought not to be able to wriggle out of making it by any trick, or sleight, or bargain, or contract. Even lawyers admit that some contracts are contrary to public policy, and should not be enforced. It is to be regretted that the area of impolitic contracts (I mean impolitic in the view of the public interest) has not been enlarged.

Three conditions are essential towards making a site habitable. It must have roads, it must have drainage, it must have pure water. We are at last beginning to see that in some of these conditions the general as well as the individual interest is concerned, and that if Dives is to enjoy his wealth the health of Lazarus has to be considered. Now to my mind the supply and the maintenance of these conditions ought to be imposed on the owner of the soil. If the inhabitants of the most valuable and densely peopled localities migrate, the land sinks to agricultural or even to prairie value. If they remain, the land rises to scarcity value, and the owner ought to find those charges which prevent the scarcity value from being identical with a plague pest.

Let me illustrate my case. Before the dissolution of the monasteries, but when that project was in the air, the founder of the house of Russell induced the King, with whom he was a favorite, to squeeze out of the Abbey of Westminster their home farm and convent gardens, which lay on the north side of the Strand. The whole estate, I believe some 300 acres, was let at about £40 a year, for I have seen a lease of it in the reign of Elizabeth. How many thousands it now returns in rent I do not know. Nor do I care, for, as I have said, I have no quarrel with those who enjoy the natural fertility of an improved building site. I do not see that I have any right to it, either as a private individual or as a member of the English nation, any more than I have a right to a bit of the Bank of England, unless I obtained it by honest purchase.

What I do find fault with is that the inhabitants of London and other large towns, being rate-payers, are called upon, since rates were imposed for local purposes, to keep up, at their expense, the letting value of this property for purposes of occupation. The London rate-payers have drained the estate; they have made and kept up the roads; and to this expense successive Dukes of Bedford, unless they have been occupiers of some part of the estate, as I believe they have not been for nearly two centuries, have contributed nothing, for the first Duke of Bedford, in the days of Queen Anne, was the last head of that fortunate house who lived on the property.

There are of course rates which the occupiers ought to pay. They ought to pay for police, for light in the public streets (though I do not think the existing generation ought to purchase for posterity the fee simple of gas or similar works), for the maintenance of criminals, for the relief of destitution, though one speaks more doubtfully as to the last, and for the free education of the young, for I suppose we must despair of receiving those ancient endowments which were given for the poor and have been appropriated by the rich. And the reason is obvious. The protection of society against violence, and the adequate lighting of the streets, which is only another form of police, are in the interest of all, but more of those who live by labor than of those who live on accumulated property. They should pay, and pay directly, feelingly, the cost of crime; for neither society at large nor individuals ought to be allowed to be insensible to the dishonor which crime brings on them and on society and of the danger which its growth portends.

It is more difficult to determine what should be the occupier's duty in the relief of destitution, and for a reason which has been given earlier in these articles. But about the last of these obligations on the occupier, that of popular, public, efficient education, the duty is manifest. Some educated children abuse the gift, no doubt. But the vast majority do not. Now whom does the education profit? Not those who receive it, as earners of wages, for wages are regulated by demand. It is society

which gets the advantage, and society at large. The Americans are perfectly right and economically sound in making the cost of free education the first charge on local, *i. e.*, State taxation.

(4) It is a common practice with those who defend the present system of local taxation in England and Wales, under which the whole burden is put in the first instance on the occupier, and an increasingly large amount of what should be paid from the spontaneous yield of the soil (*i. e.*, the rent which the land-owner receives without contributing anything whatever to its productiveness) is transferred to the ordinary tax-payer, to defend the injustice, by ingenious suggestions, which impose on such persons as have never studied the real incidence of taxation. And when we reflect that a man who contrives to better his income by the loss of his neighbor's not only gets a great advantage but the reputation of cleverness or statesmanship, by outwitting those whom he plunders, the temptation to defend existing practice by any sophistry which can appear plausible is so strong as to be almost irresistible. And if the critic foil the disputant, it is obvious that the latter can always charge the man who wishes to prevent the further continuance of legal plunder with indifference to the rights of property and a contempt for vested interests and institutions.

One of the commonest pleas for wrong-doing is that it is the duty of all well-meaning persons to support national objects. Hence it is argued that the public at large should support highways, that personal property should be taxed for local outlay, and the like. But though it is no doubt expedient that roads should be good, it is far more to the interest of the man who sends produce to market and carries manure to his fields to have the road good than it is to the man who buys the produce and cultivates no land. A moment's reflection will show how much more necessary a good road is to a man who has £1,000 worth of agricultural produce to dispose of than it is to a man who wants to transmit £1,000 to his banker. But if we are to believe those who argue on behalf of the men who wear the road out with their carts and wagons, a man who has £10,000 in consols ought to pay for making roads equally with the man who has £10,000 in agricultural stock, and free the man who has £10,000 in land, as he is free already, from contributing anything to that which must be done and kept in repair in order to prevent his £10,000 being worth no more than 10,000 farthings.

The principle that everybody must be taxed in order that a national object may be furthered and private advantage may be served under the disguise of a national object is at the bottom of all protectionist tactics, whether they go under the old and odious name or are disguised as fair trade and reciprocity. All protection, said the free trader of forty years ago, means robbing somebody else. It is a mistake to think that the passion for plundering other people under the forms of law is extinct; it is far too seductive to ever be, and if men only had the skill to persuade their fellows to submit to sacrifices which will benefit no one but the person who is successful in persuading his neighbors, under the pretense that the victim is benefiting a national aim, we may be sure that lots of people would study the art. In most countries such clever fellows have imposed on the simple and unwary. In may particulars even we, free traders as we are, are hoaxed and deluded into letting evil practices continue which have only the defense of private interest, though they put on the guise of the public good. We are always justified in supecting a man who recommends a course of action to us from which, when we come to examine the case, we shall easily discern that he alone will get any benefit by our action. And the reason why this line of action is frequently successful is, that particular interests are always organized for attack or defense, while the general public, whom they intend to cajole or plunder, is a mob without discipline, and only getting occasional glimpses of the danger which they meet. Thus, they who study the present situation (as is proved by the simultaneous evidence of those who analyzed the depression of trade to the ridiculous commission which lately reported) know and say that the principal cause of trouble in England is the detestable land system of the country, which has crippled agriculture and analogous enterprise, and is maintained entirely in the interest of land-owners, or perhaps their creditors.

The value of all land—agricultural, mining, and building land—is due to the presence of those who occupy it and the intelligence and enterprise of those who work it. It is necessary, indeed, to recognize, maintain, and enforce property in land, else it would not be occupied or worked. But surely they who give all its value to land ought not to be called on to make further contributions in order to increase or maintain its value. The growth of population turns a piece of ground which, as agricultural land, was worth £50 an acre into a value of £1,000. The owner ought to be satisfied with the benefit which society has bestowed on him, and to be thankful that a law of nature, without any effort on his part, has given him an increased value for his possession. It is rather impudent, when occupation has conferred so great a boon on him, that he should call on occupation further to keep his estate in order, improve it, and pay him a further interest on the capital which the temporary occu-

pier invests, to no profit of his own, on the estate of the man whom he originally benefited so largely.

Well now, the common defense of this iniquitous practice is that the owner pays in the end all the outlay which the tenant incurs; that the land is let or occupied at a less rent, because its outgoings are of such and such an amount; and that if these burdens, as they are sophistically called when they are really conditions to be necessarily satisfied before land can be occupied or worked continuously, are put upon other people's shoulders, the rent yielded to the owner will be all the more. It is probable that the land-owners really believe this statement. It is certain that they have acted on it, for between 1874 and 1884 the land-owners in Parliament have contrived to make the income-tax payers contribute, in addition to what they pay as occupiers, six or seven millions annually towards those charges which are necessarily incurred in order that land should be beneficially occupied.

There is an obvious answer to those who say that local taxation is paid by the owner in the end. If this be so, what is the hardship of making him pay it in the beginning? Why should not the tenant be empowered to deduct his rates from his rent, and the lessee his contribution from the lessor's rent, just as he does income tax, and the landlord be left to make fresh arrangements under this altered state of things? I never found that land-owners relished the suggestion, were willing to accept it, or were convinced that if they paid the rates they would recover them from their tenants in the end. If they could, of course the tenants would be now paying in the end, under the guise of an enhanced rent, the land-owner's income tax; and if Mr. George's scheme were adopted of exacting all the rent from the land-owner, through an income tax which the tenant was empowered to deduct from his rent, the expedient would be in vain, for the rent, being elastic, would rise to the exact amount which the tax-gatherer collected, seeing that it is a law that if the land-owner pays a tax in the beginning the tenant pays it in the end, and therefore it is a mere matter of account, a mere exchange of checks, if the tenant pays it in the beginning.

When Peel imposed the income tax the land-owners could not, for very shame, especially as they were then enjoying the benefits of the bread tax, refuse to allow the clause which empowered the tenant to deduct income tax from his rent, and made all contracts that the tenant should pay income tax in the rent null and void. But they don't like to admit the extension of the principle, unless a heavy bribe is given them. Thus they allowed the Irish tenant, when the collection of the tithe rent charge of the Irish establishment had almost become an impossibility, to deduct the tithe from his rent. But they also claimed a deduction of 25 per cent. from the amount of the rent charge, and declined to allow the tithe-owner any more of the "unearned increment." In the case of the English church, they cut off the "unearned increment," which was as much the right of the tithe-owner as it was of themselves, for his title is as old at least as the land-owner's is, and the development of his interest has gone on exactly the same lines, and is due to the same causes that the increase of rent is, which is about tenfold in the last 150 years. They acknowledged that the tithe rent charge is as sacred a property as the natural rent is, and that, the farmer failing, the landlord is liable to pay it. But they would not enable the farmer to deduct the tithe from his rent. On the contrary, they all but invariably covenanted that the tenant should treat it as part of his outgoings in the bargain for his farm. As a consequence the tenant holds, and holds with considerable truth, that he pays, if not the whole, a considerable part of the tithe; that it is not a partition of rent, but a charge on agriculture, and in the case of what is called extraordinary tithe, a charge so penal as to be wholly destructive of some kinds of industry.

It is now in the air that the land-owners intend to assume, under an act of the legislature, the payment of tithe. They are legally liable to its payment now, but the settlement of 1835 did not include the provision of the income-tax acts, and allow the tenant to deduct the tithe from his rent, all contracts to the contrary being void. But I shall be very much surprised if, when the proposal now made is translated into law, the English land-owners do not demand, in consideration of their undertaking the duty, that at least 25 per cent. of the tithe shall be remitted, as they did in Ireland. The English establishment is very loyal to the country party. There are very few parishes in rural England where the parson and the national schoolmaster are not very effective, very unscrupulous, very zealous, and very inquisitive agents on behalf of the landed interest. They have long been the instruments by which the boycotting of rustics and tradesmen has been boldly carried out. But I don't think that their loyalty and their unbought services will protect them. I am disposed to think that the disendowment of the English church is more likely to be carried out by the Carlton Club than by Serjeant's Inn.

(5) They who contend that what is paid by the tenant is in the end paid by the owner assume two positions. They conclude that whatever a tenant may save by an alteration in the incidence of taxation can be extracted from him by the landowner, and that the tenant has no option in submitting to whatever rent a landlord may im-

pose. For it is clear that it is only by virtue of such powers as are stated above that the land-owner who has paid a tax, or from whose rent a tax can be deducted by the tenant, any clause to the contrary notwithstanding, can exact a higher rent from his tenant by virtue of having paid the tax. The common opinion has been derived from the temporary circumstances attending certain contracts for the right of occupancy, and it is diligently circulated by land-owners, who (having in England, by virtue of their overwhelming power in the legislature when the principle of making the occupier pay local taxation was established, made the tenant pay their charges) insist that the temporary circumstance is an abiding condition.

Now it may be admitted that when a man occupies a tenancy with a view to deriving profit from his occupancy, and is in no way constrained to accept the occupancy, either by the nature of his calling or by the circumstances in which he is placed, but is a perfectly free agent, with a considerable choice of tenancies, he will, if he be prudent, reckon the rent which he will pay by the consideration of what are the outgoings, as they are called, of the holding. Thus, if he be a farmer, he should not only reckon the amount of capital necessary to cultivate his holding, an amount which will vary with the character of the soil, but he will reckon as to what the average rates and taxes are which will be deducted from his profits. Among these, however, he will not reckon the income-tax which the law allows him to deduct from his stipulated rent, nor, as I suppose, does he imagine because the landlord has to receive so much less from his rent, that he, the tenant, has to pay so much more. If he did he would conclude that he has to pay in his rent, by parity of reasoning, the landlord's assessed taxes, and perhaps his contributions to customs and excise. But he knows, in a rough way, that a tax has a tendency to remain with the person who pays it, and that an effort must be made in order to effectually transfer it. Now the effort will be made with ease, as is the case with excises and customs; or with so much difficulty that success is impossible, as in the case of a property tax; or with varying ease and difficulty, as in the case of an income tax, for it is sometimes admitted that an income-tax is a trade charge, and goes into the price of goods sold.

Very few occupancies, however, satisfy the fundamental condition of perfect freedom of choice. In the first place, the owner may be possessed, by the favor of law, of the power of exacting a monopoly price, and the intending occupier may be disabled from contending against it. The great owners of real estate are permitted to occupy this position, and can hold out for their price, trusting that following the necessity of an industrial career will enable them to force the occupant into accepting owner's terms. This is illustrated over and over again in the evidence given as to the causes of the depression of trade: For example, by the manager of the iron-works at Barrow, and in reference to agriculture by Sir J. Caird. They who dwell on the fact and its results appear to consider its process natural; they do not see how unnatural, unreasonable, and oppressive our land system is. But what I have commented on is not derived from the economical incidence of local taxation; it is due to the power which the law gives the land-owners of driving unfair bargains. The price of occupancy is determined by one special cause—an artificial famine for industrial areas, which the law enables land-owners to create. The incidence of local taxation, if it were transferred in part to the owner, is wholly outside the factitious scarcity which the English land-system makes, and this is proved by the fact that the settlement of estates has ruined English and Scotch agriculture.

Now the man who perhaps is best able to bargain with a land-owner, and to exact the fullest deductions from rent by reason of the outgoings of local taxation, is a well-off farmer who is entering on a new holding. Let us imagine that such a person takes a farm at 35*s.* an acre, with a capital of £10 an acre, and with outgoings of 5*s.* an acre for poor rate, highway rate, and other county charges. I will at once admit that the 5*s.* is taken into full account by a man with ordinary prudence, and that if he knew that the landlord was compellable by law to pay the 5*s.* he would be disposed to offer something near to 40*s.* for the farm. If he were retaking an old holding, it does not follow that he would be so able, or at all able to take this into account.

But when the bargain is once made the freedom of action is gone. The determination of his holding and the recall of his capital from the land invariably involves a loss of from 10 to 15 per cent. of his capital. I have often asked Sir James Caird who knows the economical relations of landlord and tenant better than any man living, or at any rate has stated them more plainly than any man, whether the percentage given above is an exaggeration, and have always been assured that it is not, and I know that it is not, and I know that the complaint of farmers, for the last four centuries, is to the same effect. Then, a farmer does not always foresee that he may become liable to exceptional depressions of market values, and very soon a local burden amounting to over 12 per cent. of his regular outgoings, concurrently from his loss on labor and stock, may absorb all his profits and begin to trench on his capital. It is this which makes the payment of tithe by the occupier so distasteful to him. From one point of view it is part of the rent, from another it is a fixed charge, which is light during a time of remunerative prices, but crushingly heavy when the experience is

reversed. But local taxation, levied on the industrial occupier for objects which have to be satisfied before the land will bear any rent at all, is, under the circumstances I have described, a still heavier charge on profits. Is there a single farmer who believes that if the law divided these burdens between owner and occupier the former could recover them from the latter?

It is not from competition that farmers' rents have been so exalted that they have been a principal agent in agricultural distress, and indeed are the prime factors of trade depression. In ordinary business a successful ring is the cause of serious loss to many. But under our system of allowing the settlement of land, the occupier has been open to the influence of a perpetual ring. The land-owner or his agent is perfectly aware that the cessation of a tenancy in agriculture means the loss which I have indicated above, though it may be no gain to the owner or the new tenant. Hence he is able to exact a fine on continued occupancy, and the tenant with a capital of £5,600 on a farm of 500 acres will often agree to give £60 a year more rent rather than lose £500 to £750 by dispossession. This is what has raised the rent of land in England and Scotland to a ruinous height, and this is what has given a color to the general impression that if a local tax is paid by the landlord he will be able, whatever be the provisions which the law makes, to recover it from the tenant. But this may be confidently stated, that if it be true that the outlay which is needed to make an occupancy worth anything at all, may, in addition to the rent which the tenant naturally pays, be excisible from the tenant, the inference is that outlay on local taxation is the most profitable thing for the land-owner imaginable, for it raises the occupation value of his property from zero to the amount he gets for it, and next, that it becomes difficult to resist the argument, that if other people pay for his improvements, it is the duty of the estate to see them, perhaps itself, disputed.

Agricultural land during the last century and a half, and before the reductions came, owing to the general ruin of the farmers, has risen, as I know from past and present rents obtained by fair landlords, about ten times; *i. e.*, a farm which let in 1700 at £100 a year, let in 1850 at £1,000. Now with this rise I find no fault. It is the result of an economic law, and whatever claim the state may have to a revision of the land tax, I am persuaded that it is better that individual landlords, without their present power of settling lands, should possess it than that the state should be the universal landlord. An aristocracy may be an excellent thing. Great wealth in land may produce a class whose virtues, learning, statesmanship, public spirit, and entire freedom from degrading vices may make them an example to us all, and the fittest trustees of our highest national interests. But we may buy gold too dear, and assuredly we shall do so if the system is to ruin agriculture, cripple the home trade, and induce permanent depression and discontent on industry. And if the system does not produce these moral and intellectual virtues, the case is worse.

I am told that, owing to the pressure of local taxation, and especially for those objects in which vast works are constructed for the future owner and paid for by the present occupier, many persons have transferred their works out of the range of these heavy dues for local taxation into districts where the charge is relatively trivial. Do not such persons pay the local taxes? Is this a mere arrangement between landlord and tenant? To those who study the incidence of local taxation it is notorious that the decision of Lord Kenyon, at the conclusion of the last century, by which the capital of the woolen manufacturers in the west of England was made liable to local taxation, ruined those manufacturers. The Yorkshiremen were wiser. They declined to carry out Lord Kenyon's decision, for they knew that the wealth of a district was much more surely developed by the profits of industry than it is by reducing charges on land, especially when the charges were essential to the land having any economic value at all. The consequence was that the west of England cloth trade was transferred to the West Riding.

The re-arrangement of local taxation in reference to the industry of the country is no matter of arrangement, or sentiment, or abstract reasoning. It is, I am persuaded, vital to industry, and also equally vital to trade. Manufacturers complain that while they produce at little or no profit, the gains, as they imagine, of retail traders are enormous. But they omit to notice that though rent and local taxation do not intrinsically enter into wholesale cost, because, under competition and free trade, production carried on under the most advantageous circumstances fixes the price of products obtained under the least advantageous, yet in retail trade rent and local taxation do enter into price. The shop-keeper is forced to recoup himself for his outlay, and he does it out of his customers. Hence discontent on the part of the consumers, the establishment of vast stores, co-operative or private, in which the charges I refer to are reduced to a minimum, though still heavy enough and unjust enough.

(6) The system under which the occupier is constrained to pay for improving the estate of the owner, and is subsequently compelled to pay interest on his own outlay for another's advantage, is characteristic of the legal imposition of local taxes. The hardship and injustice are specially visible in town tenancies, and, beyond question,

apart from the outrageous wrong of the system, have not a little to do with the depression of manufacturing profits at the present time. The competition of English industry is with the whole world. Foreign markets take no account of the tolls levied on our industry by the idlers of modern life. Fortunately for England, foreign nations deliberately cripple themselves and their progress by protective laws. If these nations were to accept free-trade principles, and act upon them, we should soon find out how industry is handicapped in England by laws which are intended to pillage industry in the interests of rent.

Undoubtedly the operation is disguised in many cases. If any of your traders is carrying on the business of a bank or a discount office, of an insurer, or of a broker, the element of local taxation, like the element of rent, is comparatively trifling in the transactions which he undertakes. He may handle millions a year, and the percentage of his outgoings for rent and taxes is infinitesimal in the gross amount of his expenses. But if he occupy a great warehouse, still more a great shop, in which he must needs advertise his calling, the costs of rent and local taxation, both steadily increasing, are serious items. In order to meet them, he must haggle with the manufacturers for the lowest wholesale price, and seek to enact the highest retail price from his customer. I have over and over again heard the loudest complaints from manufacturers about the enormous difference between the price at which they sell and the price which the public pays for their goods. They do not apparently see that the system which loads the retailer with enormous charges on occupancy must diminish their profits, raise retail prices, and check consumption. Turn which way we will, we find that the English land system and the English system of local taxation are equally injurious to producer and consumer. I should be very much surprised if it were not found that a Barnsley damask table-cloth weaver was considerably weighted in competition against a Dunfermline weaver, the latter, carrying on his industry in Scotland, being under a better system of local taxation.

Injurious, however, and unfair as the English system is, disastrous as it morally is to English industry and retail trade, the absurdly unequal manner in which occupancy is treated under the assessment laws illustrates the scandalous favoritism of the law towards the great land-owners. As every one knows, the basis of all taxation on lands and houses is the assessment made for the relief of the poor. Much local taxation is derived from precepts issued upon boards of guardians. The income-tax assessment on houses is primarily derived from this authority, though complaints are pretty common that zealous and ambitious officials try to get a reputation for smartness by putting the tax on occupiers at a higher rate than the rent they pay, and thereby levying on them a tax which they cannot deduct from the rent.

Now assessors, chosen by the boards of guardians from their own body, or appointed by the same officials at the charge of the rate-payers, may generally, especially the former, be trusted. Years ago, the writer of these articles, the experience formerly had of a paid assessor having been costly and unsatisfactory, agreed, as a guardian of the poor, to serve on an assessment committee for the city he lives in. He certainly did not anticipate the work he had undertaken, for it occupied all the time he could spare for two years and more, the task being rendered peculiarly difficult by the diverging interests of the university and the city. The former is a very extensive owner and occupier, and is, besides, in the person of the colleges, a very considerable landlord. Hence its interest was to depress the rate on its own occupancy and to raise it on the occupancy of the townsfolk, for the owners of college property are sufficiently enlightened to see that they do not pay, first or last, heavy taxation for local purposes imposed on their tenants. We dealt as fairly as we could, and had no appeals, though I incurred a good deal of odium from some of the fellows of colleges, by insisting that equity should be followed. Some of these fellows, chiefly clergymen, thought it was my duty to cheat my neighbours in the interest of the colleges, and were correspondingly indignant with me when I did not.

Now there is a remedy against an unfair assessment. This is an appeal to quarter sessions, not, it will be remembered, to town or city magistrates, but to those people in the commission of the peace who are magistrates for the county. Now it would be rarely much good to appeal to the quarter sessions against a town assessment, except, perhaps, against the assessment of a public house, for the local brewer has generally interest enough with the bench to prevent his houses from being rated at anything near their full or actual rent, as I have good reason to know. They are indifferent, perhaps gratified, by the full assessment of houses in towns. If they own property, they are perfectly well aware that the tenant pays the rates, and they do not. If they do not, they are glad that a place which they frequent for their convenience has well-made and well-kept roads, well-lighted streets, and efficient police, and other advantages which the occupiers pay for, and in which outsiders find a benefit, as, for example, in bringing agricultural produce to market. Besides, most tribunals, when their own interests are not concerned, decide fairly—even a bench of county magistrates. It is quite another thing when their own interests are challenged, or even the order to which they generally belong is criticised, or its conduct impugned. On

a poaching case or a county assessment case, or on a political intimidation practiced at election times by a county squire, I would as soon trust a bench of county magistrates as I would a cat with cream.

It is with the second of these which I have to deal. The law as to assessors, and appeals from assessments, is 5 and 6 William IV. By the provisions of this act the assessors and the court of appeal are to take into account the fair letting value of the premises which are assessed and taxed. I have no doubt that the legislature thought of the great mass of tenancies in which such a mode of assessment is obvious and fair, for beyond doubt the value of anything, in a rough and ready way, is what it will fetch in the market. I repeat that the quarter sessions is not quite above suspicion in the case of public-houses. I have known many a public-house sell for eighty years' purchase of its nominal rent. But I am sure that quarter sessions would disallow a rating which came near to four times the nominal rent.

Now they had to apply this rate of the fair letting value to their own mansion, and they decided, with absolute unanimity, that this letting value in their own case was a quarter or a half per cent. on the building value. From this decision there is no appeal. It sometimes leads to results which would be ludicrous were they not so irritatingly unjust. A ducal mansion, with garden and park, is often rated at little more than a large tradesman's shop in the vicinity of the mansion. Some time ago, an eminent and opulent statesman, whom Liverpool has heard of, built himself a mansion in one of the home counties, at a cost, I am told, of £100,000. He set his own valuation on the house at £1,000 a year. But the quarter sessions, dreading the risk of even so near an approach to equity as a rent of one per cent. on the outlay, reduced the rating to £500 a year, against the owner's wish, though, of course, with his acquiescence.

It is very plausible to say that you could not find tenants for these great houses at anything like interest on the outlay. It is possible that one could not find tenants at all for Chatsworth, or Eaton Hall, or Blenheim, or Welbeck Abbey, or a thousand other places, and the quarter sessions might logically relieve the tenants of these palaces from any contribution whatever. Unfortunately, it is much more easy to let a workman's cottage than it is a peer's palace, or even a cotton-mill or a warehouse. But to relieve persons from local contributions because they are artificial rarities, or because their houses are artificial rarities, does not commend itself to any man's sense of equity. And it is not always true that such houses would not let. In the immediate neighborhood of the city in which the writer lives is a country mansion, the owner of which was fortunate enough to let it to a school. While he lived there the house was rated at a nominal assessment; now its rate approximates to its building value, and the other rate-payers have no reason to be dissatisfied. When I was talking some years ago with a country gentleman who defended the existing practice with the usual argument, I met him by saying that the county wanted a new lunatic asylum, and would, I thought, offer a fair rent for the palace near, and would even be content with the disappearance of its inmate.

Now, if there is anything in which all governments and all critics of governments are agreed on, it is that luxuries are the most legitimate subjects of taxation conceivable, provided you can get at them. Hence, it seems to me that if a man chooses to build and inhabit a house which is, for magnitude and cost, far bigger than his necessities, it is only just that he should pay for his whim. If he thinks proper to keep a dozen or a half a dozen houses in his own hands, I can not see why the fact that he does not or could not let them should excuse him from being rated at their full value. The fact is, the system prevailing in England is the inevitable custom of the financial theory which does not tax property and does tax income. The American people have, without any discontent, confessed or felt taxed property, and a country house is valued in the States at its building value. They can not understand why we submit to our present system.

Sound economists do battle with socialism to the best of their power. But the nobles and squires are eternally making fresh disputants on the socialist platform. Working-men are crammed by thousands into scanty and insufficient lodgings in towns. From them local taxation is very effectually demanded, and on the full value of the holding which they occupy. How does one think that they feel and judge when they are told that the rookeries in which they live are rated at a higher amount than ducal palaces and ancestral mansions? It is, I am sure, dangerous to accentuate distinctions between rich and poor, when the burden of the former is made designedly light and that of the latter is rendered inevitably heavy. The sting of taxation, it has been justly said, does not lie in its weight but in its inequality. It is wise to remove any suspicion of partiality in the distribution of public burdens. Disaffection and discontent are dangerous counselors, especially when they are stimulated by obvious unfairness. At present they are restrained. But what—as Colonel Thompson used to say, in the old anti-corn-law days—what if the extinguisher catches fire?

(7) Enough has been said, I hope, on the manifest unfairness with which local tax-

ation is imposed in England and Wales on occupiers, as compared with the rule which prevails in Scotland and Ireland. During the last twelve years the landowners in Parliament, adroitly taking advantage of the growing discontent which is felt at these charges, have transferred from the ordinary objects of the tax much of the burden, and have rendered, unless the action is reversed, the income tax a permanent instead of an occasional instrument of finance. * * *

The division of local taxation in equal moieties between owner and occupier is only an approximation to justice; is no better than a compromise, in which the right shoulders would still bear the least part of their just burden. Originally, and historically, the poor-rate was a charge on land and on employers of labor, justified on the ground that the inheritance of the poor was being appropriated by the rich, as it continued to be till scarcely anything was left to appropriate. The whole course of legislation in the interest of employers, and against the interests of labor, was excused on the ground that the rent of land was pledged to the relief of destitution. Practically, when occupiers were generally also owners, and the business and capitalist class was a very small one, rent did pay the poor-rate. I have latterly been examining the significance of the first statistics of poor-rates, those given for the last year of Charles II, 1684. The facts are given for the several English counties, and the aggregate amounts to fully one-third of the whole public revenue.

Similarly, the cost for maintaining roads and other communications which are dedicated to public use, and without liability to tolls, should be a charge on rent. A road is as essential to agriculture as a plough or a wagon is. A well-made and well-kept road is as necessary as a plough or a wagon in an efficient state of repair is. It stands to reason that when the use of a road is a condition precedent to any business whatever, the cost of supplying this convenience is much more justly due from those who must use it than it is from those who do not use it at all, or use it voluntarily. If roads go out of repair, a moment's reflection will show who they are that suffer most from the inconvenience. But surely those who suffer from an inconvenience are much more bound to remedy it than those are who do not suffer from it at all. I do not argue that pedestrian wayfarers should be entirely exempt from contributing to the cost of maintaining communications; but as their wear is small their contribution should be also small. One of the fairest ways in which a supplemental tax for repairing roads could be levied would be a moderate tax on wheeled carriages of all kinds—on the farmer's wagon, on the carrier's cart, on the private carriage. In large towns the dividends of omnibus companies are largely increased by the comparative easiness of modern roads, for which the occupiers pay. Undoubtedly, if local authorities were empowered, as they will be ere long, to levy local taxes for local purposes, a tax on wheeled carriages will assuredly be imposed in aid of road-making. As it is, municipal corporations take care to make tram-way companies repair their tracks.

Outlay absolutely essential to the health of towns is another charge which should rightfully fall on rent. Land in towns can not be occupied without water, and should not be occupied without adequate drainage. As it is, local authorities can compel, and do compel, builders or dealers in building land to make roads and construct sewers. But they have no power to compel owners, as they should have the power, to contribute to artesial outlay, or indeed to any further outlay, after buildings have been erected. The law allows them to plunder the occupiers only. Now, I admit that at first sight it would seem that if the cost of drainage is justly to be put on rent, that of a water supply might properly be left to the occupier. But at least the connection of the occupier's tenement with the water supply should be a charge on rent, whatever may be said for the continuous supply afterwards. Now, I take it that in great towns the cost of laying the mains is far in excess of the cost of supplying the water. Here, of course, I am merely arguing on grounds of principle. I do not allege that you can, after so long-continued a system as that under which Englishmen have lived, suddenly reverse the practice of the past. But it is always useful, even though a complete reform is impracticable, to point out what are equitable principles, because these are guides for future action and for new departures.

On the other hand, the lighting and the police of the streets are entirely due from occupiers. No doubt a plot in a town which could not be lighted and could not be patrolled would have no value. But it is plain that police protection (and street lighting is only a form of police protection) affects persons and personal property only. But it is constantly alleged to be a grievance that the police in the country are too much instructed to watch poachers than to watch after the peace, and this in the interest of persons who, by virtue of the extraordinary system of country-mansion rating, contribute only nominal sums to the common fund. Much, however, of the charge for the police is put on the consolidated fund, wrongly in my opinion, because the cost of domestic defense ought to be borne by the locality, and by the persons immediately benefited. This principle is recognized in the fact that certain injuries done to property may, under well-defined circumstances, be charged on the local rates.

One of the most grotesque and unjust local taxes ever imposed was that which put the cost of compensating the owner of cattle slaughtered under the provisions of the cattle-plague act on the general body of occupiers. Unless I am misinformed, a well-known Cheshire town, which is only just on the borders of the county, was constrained to raise a loan, the charge of which was to extend over thirty years, in order to meet the costs put on them under this act. It is impossible to discover any ground for justifying this impost, except that it was cast on the town by a land-owner's parliament. The immediate advantage derived from the slaughter of infected cattle was that of the owners of uninfected cattle. The proper course would have been to levy a capitation or poll-tax on those cattle which were saved from disease by the process of stamping disease out. Theoretically, and in all probability actually, the suggested poll-tax could have been recouped in the additional dearness of meat induced by the plague, for in those days the trade in foreign cattle was slight. As it was, the farmer or dairyman had his cattle insured at the cost of other people, he contributing but slightly to it, and had the additional advantage of being able to charge a higher price for that which the consumer had been constrained to insure. I admit that the owner of the infected herd suffered a loss, for he did not get the whole value of his slaughtered stock, but the owners of uninfected herds gained at the expense of the general occupier, and upon no principle of justice whatever. But anything can be expected from landlords, who seem to think that their property should be secured from any and every contingency which affects, and always will affect, other kinds of property.

One of the consequences of this outrageous transference of what should be taxes on rent to taxes on occupancy is the difficulty of getting any addition made to local taxation for purposes which occupancy should unquestionably bear. People who are paying 6*s.* in the pound of rental for objects from at least half of which they ought to be freed are furious at the prospect of paying an additional sixpence for objects which it is really their duty or their interest to make provision for.

(8) Much of the discontent which is at present felt and uttered as regards local taxation arises from its being imposed upon one kind of property only, real property occupied. The complaint is natural, and is used to disguise the other injustice which it inflicts, and to which reference has so often been made that it is levied in England and Wales exclusively on the occupier. "Why," say those who criticise and demur to the present system, "should the man with £10,000 a year in stocks pay only on the house which he lives in, while another with £10,000 a year in land pays the whole of the local taxes?" The answer to this complaint has been anticipated. The greater part of local taxation is beneficial outlay, essential to the profitable occupation of land or to its enjoyment. If we are to resort to the old system of statute labor for the repair of roads, main and by, it is plain that they who make the greatest use of the road would have to pay for it. If we are to extinguish the poor-law, wages would necessarily rise, at the cost of the employers of labor, as they did rise in 1837, after the new poor-law was enacted, to the full amount of the difference between the old amount of the poor-rate and the more recent.

Now, I am ready enough to admit that there are some local taxes which should not fall on real estate, or rather on the occupiers of real estate. The only special taxes which are justly levied on land-owners, and in justice should be directly levied on them, are those which are essential to the beneficial ownership or the enjoyment of real estate. The rest should be derived from the wealth of the public at large, and in theory from all without distinction, for if the benefit accrues to all, all should pay their share. Thus it is not just that the owners or occupiers of real estate should contribute the school-board rate, though of course they do not contribute it all, a large subvention being annually added to the charge from the public taxes, as indeed the whole should be, though not in the present manner, when one tax alone, the income tax, is relied upon for all those increasing grants. So again on no pretense of justice should a public library be maintained from the taxes of occupiers only, and in theory from real estate. Again it is unjust that the charges of registration for parliamentary and municipal elections, for the maintenance of the public peace, or justice, or for lunatics, should be paid by the occupiers of real estate only. They are national charges, and some of them have been in great part treated as national charges, for lunacy and the police rates are aided by large contributions from the consolidated fund.

But to deal equitably with these matters one would have to divide all local expenditure into two heads. One, to which reference has often been made, should in strict justice be paid by the owner only, in consideration of the advantage he receives from the rent of land, which is entirely due to occupancy. The other should be paid by all kinds of property, and form a property tax, of so many thousandth parts of the value of the property, seeing that good government is a condition which must be satisfied before any property can be enjoyed, or even be safe. This is what the Americans do. They levy their local taxes by assessments of the capital value of all property, and they make the cost of their public schools a first charge upon the proceeds

of all property, that is, wealth available for profit or enjoyment. But there is nothing which rich people detest more than a property tax, nothing which they have more successfully resisted. And yet it is the most just of all taxes for imperial purposes, *i. e.*, for purposes which affect all equally. An income tax is intrinsically unjust because it taxes capital and profits in precarious or terminable callings equally with profits only in the case of permanent income. So unfair is it felt to be, that government levies no income tax on wages strictly so called, on no incomes below a certain amount, and at less rate on incomes below a somewhat larger amount. The possibility of direct taxation would be much more obvious if it were levied on property instead of income, as the ancient English taxes necessarily were, though when they did levy an income tax in our modern sense, they confined it to the profits derived from permanent sources.

But treating a property tax as a matter out of the range of practical politics, and the transference of all local taxation of a remunerative, beneficial, or necessary character to those who receive the remuneration, enjoy the benefit, or know that the necessity is an antecedent condition to any profit whatever, as an arrangement only less remote and less distasteful than a property tax, the obvious remedy is that proposal which I made in the House of Commons on March 23, last year, and the House agreed to, by a majority of 40, that all local taxation should be divided between owner and occupier. Let us suppose that under these circumstances all occupiers are relieved of half their local taxation, that the average rate is 6*s.* in the pound, and that, therefore, the burden on the occupier is at once reduced to 3. I have already given reasons for concluding that it would not be in the power of the land-owner to transfer this tax from himself to the tenant, any more than it is in his power to transfer the income tax which he pays on his rents to his tenant; and let us suppose that the law which now applies to the income tax be applied to the share of local taxation which the tenant has to pay.

After such a relief, is it likely that the occupier would grudge his share in the cost of national education? As a public man, I have always contended that education should be free. The skill which a man acquires in his craft, be he an artisan or a professional workman, is a wage-earning outlay, and ought to be provided at his own charges, as it generally is, in the shape of deferred wages during apprenticeship, or no wage-earning power whatever till, in most professional callings, the learner is pronounced to be duly qualified. There is no reason why the state should be at the cost of bringing up lawyers and doctors, chemists and engineers, carpenters and wheelwrights, merchants and traders. The knowledge which they have is special; the skill which they have acquired is marketable. I have always looked with suspicion on the schemes for supplying technical education at the public charge. I am pretty sure that in the end they will fail of their purpose. Gift horses, as the old proverb says, should not be examined too closely.

But the case is entirely different with primary education or any education to which all may, in varying degrees, be brought. We educate all children, or insist on them being educated, on grounds of public policy. We have learned, I hope not too late for our good, that an untaught and untrained race will collectively fall behind those who are taught and trained. The education of the English people is a matter of public necessity, of the general good, of vital significance. Now what is every man's interest should be paid for by every man. Least of all should it be paid for by those who make a great sacrifice in submitting to the public demand. To me the exaction of any money contribution whatever from the working classes, or, for the matter of that, from the propertied classes, for primary education, is a blunder and a wrong. I quite appreciate as sound, sensible, and just what I have seen in the United States, the children of a gentleman of fair fortune and high culture sitting on the same form and learning the same lessons, from the same teacher, with the children of that gentleman's servants.

I have little doubt that the resistance which is shown to school boards and school-board rates, and the clinging to sectarian schools, with all their shortcomings, meannesses, and paltry provocations or tyrannies, is due, in the first place, to the evident and in this case the complicated unfairness of our present system of local taxation, and in the next to the intolerable burden of its present incidence in England and Wales. If my proposal were carried into effect, the lightening of local taxation from the hands of occupiers would make them indifferent to the 3d or 4th in the pound for a school rate, and would aid the Government in getting rid of the wretched compromise by which they try to get the grudging gifts of denominations, the pitiful sophistry by which they claim the parents' pence for the children's teaching, and the unsatisfactory results of this mischievous method. This is a vicious system of local taxation, and any addition to it increases the irritation felt at it in a geometrical ratio.

The other local tax which is greatly resented, but under a better system would be quietly, if not gladly, accepted, is the supply of public libraries and reading-rooms. It is impossible to exaggerate the good which these institutions do. They are always humanizing, always beneficial. But as it stands at present, especially in London,

where the pressure of local taxation is enormous and the administration of its collected funds scandalous, there is great unwillingness to establish such libraries or reading-rooms where, indeed, they are most needed. In some districts it is impossible to doubt, from the political complexion of the locality, that they who can decide on the matter dread the light. They are alarmed at the contingency of the people getting into wholesome and instructive literature, and they are shrewd enough to invoke the pressure of local taxation as a reason for declining to take advantage of Mr. Ewart's act. They have a plausible reason and a secret motive which they do not like to avow. I am convinced that if the burden of local taxation was taken from the occupier, and in part lightened, these people would preach to deaf ears. In taking the line which I took in Parliament, I had these purposes or hopes before me, and I trust that even in the present strife they will not be frustrated.

IRELAND.

TAXATION IN CORK.

REPORT OF CONSUL PIATT.

Besides customs duties, postage, etc., the only tax imposed in this consular district which can be called a national one is the income tax. This tax is levied under five distinct headings or schedules, viz, (A) land; (B) occupation; (C) funds; (D) trades and professions; (E) profits of office.

The tax has increased yearly since 1884, when it was 5*d.* (10 cents) in the pound sterling ($4.87), to 1887, when it reached 8*d.* (16 cents).

Persons whose income does not exceed £120 ($583.98) from all sources yearly are exempt.

Under Schedule A, in respect of land, tenements, etc., the tax is 5*d.* in the pound sterling on income of £100 ($486.65) annually and upwards.

Under Schedule B, in respect of occupation of lands, tenements, etc., 1*d.* in the pound sterling on income of £100 annually and upwards.

Under Schedule C, in respect of annuities, dividends, and shares of annuities, 5*d.* in the pound sterling on income of £100 annually and upwards.

Under Schedule D, in respect of professions, trades, employments, etc., 5*d.* in the pound sterling on income of £100 annually and upwards.

Under Schedule E, in respect of public offices, annuities from public revenues, etc., 5*d.* in the pound sterling on income of £100 annually and upwards.

For every inhabited house of the rental value of £20 ($97.33) a year or upwards, for the purposes of trade or exposing goods for sale, 6*d.* in the pound sterling. If occupied by a person licensed to retail beer, spirits, wine, etc., 6*d.* in the pound sterling. If occupied as a farmhouse, 6*d.* in the pound sterling. If occupied in any other manner, 9*d.* in the pound sterling. The tax in each case, it is to be understood, is uponthe rental valuation per year.

LOCAL TAXATION.

The principal local tax is that termed the poor rate, which is levied under the assessment of poundage rate on the net annual value of the property liable or rateable, which consists of all land and buildings mines seven years open, rights of way, navigation, and all other rights and easements, tolls, etc.

The valuation of all property is revised annually in cases where changes occur in boundaries, value, etc.

The places and properties exempt are houses of worship, buildings used for charitable purposes, public institutions, and burial grounds.

The persons liable are the occupiers of rateable property at the date of striking the rate, and, in default of payment by them, then the subsequent occupiers are liable.

Occupiers of holdings under the yearly value of £8 ($38.93) are exempt, in which case the lessor is rated.

On all settlements of rent between landlord and tenant half the poor rate paid by the tenant is allowed by the landlord.

COUNTY TAX.

Grand jury cess is a tax peculiar to Ireland, controlled by a number of the largest property holders in each division, chosen by a ballot from a list fixed by the grand jury at each assize or term of court. The estimates are made to fix amounts necessary for making new roads, bridges, quays, for repairs, fixing compensation for malicious injuries to property, part support of police, prosecution of offenders, and support of deserted children.

The amount necessary to meet any of the requirements is levied on the rate-payers of the immediate district in which the necessity arises for any of the purposes above stated; but for contribution towards support of the police the tax is levied on the county at large.

In consequence of the political agitation concerning landlord and tenant the tax in some disturbed portions of the counties through malicious injuries to property and cattle has been very high.

TAXES FOR THE CORK POOR-LAW UNION.

The Cork union has, for the city and the various electoral divisions comprised in it (each division choses a guardian of the poor-law union), an area of 169,732 statute acres, the poor-law valuation of which in 1882 was £350,789 ($1,707,114.67). The population was 145,216. Average daily number of paupers in workhouse, 2,558; number relieved during year indoor, 16,769; number relieved during year outdoor, 7,359; cost of indoor relief, £27,218 ($132,456.39); cost of outdoor relief, £10,629 ($51,726.03); salaries and rations of officers, £4,678 ($22,765.49); general expense, £7,136 ($34,727.34).

Poundage of expenditure, 2*s.* 8*d.* (64 cents), *i. e.*, 64 cents upon each $4.87 of the entire valuation.

The cost of collecting the poor rate is 6*d.* in the pound sterling collected. This service is done for the Cork union district by four collectors, each of whom furnishes approved bondsmen for the due and faithful collection of the rates.

The rate varies throughout the electoral divisions comprising the union, and is made in accordance with the number of poor chargeable and belonging to each division respectively.

CORPORATION TAX—CITY OF CORK.

The local taxation in the city of Cork is said to be exceptionally heavy. The rates are struck half yearly, and are for the purpose of paying interest on city debts, salaries to officials, paving, draining, lighting, cleansing, supplying water, and, generally, for city improvements; the property assessed being the same as that assessed for the poor rate.

In February, 1887, the city rates for the half year, to pay officers, interest on debts, etc., were 3*s.* 3*d.* (79 cents) in the pound sterling of assessed valuation; the public water rate was 1½*d.* (3 cents) in the pound; the domestic water rate was 3*d.* (6 cents) in the pound—or, about 8*s.*

($1.94) in the pound per year for the city rates; while the poor rate for Cork City is from 3*s.* 4*d.* (81 cents) to 4*s.* (97 cents) in the pound, making a total of 12*s.* ($2.92) in the pound of assessed valuation. The city rates are paid entirely by the lease-holder, together with half the poor rate and property tax.

The valuation of the city of Cork for rating purposes is £158,846.6, or $773,025.52.

The total indebtedness of the corporation at the present time is £242,657.6.5, or $1,180,891.85.

The amounts of rates to be levied is arrived at and assessed by the corporation on the sums required for city improvements, and due notice of same having been struck and the amount per pound sterling for each rate is given in the local newspapers as well as by bills posted on the various public notice boards throughout the city.

In many cases process of law has to be resorted to for recovery of the rates, owing to the great depression in trade, and the heavy tax is daily becoming a great source of complaint in business quarters.

JOHN J. PIATT,
Consul.

SCOTLAND.

TAXATION IN SCOTLAND.

REPORT OF CONSUL UNDERWOOD.

Taxes in Scotland are assessed upon real estate, but not upon personal property, except indirectly by tax on incomes and occupations or in the cases of legacies and successions.

The annual rental for an estate is taken to be the standard of value. When the owner occupies his own premises the statement of the annual value as returned by himself is passed upon by the assessor, who may accept or advance the owner's valuation. If the owner is dissatisfied with the official valuation, he can appeal first to the magistrates and next to the superior court.

The valuation statute of 1854, section 6, says, "The same shall be taken to be the rent at which, one year with another, such lands and heritages might in their actual state be reasonably expected to let from year to year."

Mines are not assessed if not worked within the year. Unimproved lands, forests, etc., are assessed at their value as grazing lands. When lands are bona fide let for a yearly rent, such rent is taken as the annual value.

By far the largest proportion of estates, both in city and country, is held or occupied by feuars, who are particularly regarded and assessed as owners, although they pay an annual feu duty to the superiors, or grantor of the feu. Municipal taxation of feued land falls upon the feuar but not upon the superior, who pays solely a tax to the imperial treasury based upon his general income, including, of course, the feu duties he has received.

A dwelling-house of moderate size, costing let us say £1,000, which may be expected to yield a rental of £40 or £50, is sure to be assessed at its full value; but a costly house is not necessarily assessed in proportion. The inquiry is, "What would it let for?"

A shop or warehouse in a city or town, if occupied, is assessed at its value; if it is unoccupied, the owner pays no tax. Vacant lots of land

and ruined buildings in the city are not assessed. Tracts of land in the suburbs of cities and towns are assessed at their annual value for agricultural purposes. Owners of land near Glasgow have become enormously rich by sitting still and seeing the intrinsic value of their estates grow to large proportions by the industry and enterprise of the commercial and manufacturing classes. The result of this mode of assessment is to favor the holders of land by relieving them of their equitable share of the public burdens.

For taxation and other purposes Glasgow is divided into three parishes. The City parish, the most ancient, is at the east end; the Barony parish includes what is now the center and northern part of the city; and the Govan parish includes the district south of the Clyde, and the west end. These two last-named parishes are of large extent, and the limits of modern Glasgow cut them in such a way as to leave large parts of them outside the municipality. In stating the mode and rate of taxation in the parishes, it will be understood that reference is made only to such portions of them as are within the city limits.

Each parish has its parochial board, which levies and collects poor rates, and attends to the relief of the poor. Each board also, for convenience, collects the school rates, but has nothing to do with the schools, they being under the management of the school board. The amount realized from school rates is not enough to support the schools, and a small tuition fee is charged for each pupil, which the parents are compelled to pay unless excused by extreme poverty.

All taxation in Glasgow for municipal purposes, excepting poor and school rates, is assessed by the magistrates, and upon real estate, as already stated, and not upon goods in warehouses, ships, stocks, bonds, money, or other personal property; these taxes are assessed partly upon the proprietor and partly upon the occupier of each estate, the burden being a little more heavy upon the latter. As will be seen, a separate tax is levied for various purposes. As a fair average, a copy is herewith given of the levy for 1884–'85.

Municipal, parochial, and school-board rating, 1884–'85.

CITY PARISH.

Assessments.	On rents £10 and upwards.		On rents £4 1s. and under £10.		On rents £4 and under.	
	Payable by owner.	Payable by occupier.	Payable by owner.	Payable by occupier.	Payable by owner.	Payable by occupier.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Public water rate	0 1	.....	0 1	.....	0 1	.....
Police	.....	1 1½	.....	0 6¾	0 *6¾	.....
Statute labor	.....	0 3	.....	0 3	0 *3	.....
Roads and bridges	0 1½	0 1½	0 1½	0 1½	0 1½	.....
Sanitary	.....	0 2½	.....	0 1½	0 *1½	.....
Public health	.....	0 0½	.....	0 0½	0 *0½	.....
City improvements	.....	0 1½	.....	0 1½	.....	.....
Parks and galleries	.....	0 2	.....	0 2	.....	.....
Municipal buildings, registration of births, etc., registration of voters, valuation of lands, lunacy, and prison payment	0 1½	0 1½	0 1½	0 1½	.....	.....
Cess	0 0½	0 0½	0 0½	0 0½	.....	.....
Juvenile delinquency	.....	0 0¾	.....	0 0¾	.....	.....
Poor rate (on 80 per cent. of rent)	0 5¹³/₁₆	0 5¹³/₁₆	0 5¹³/₁₆	0 5¹³/₁₆	0 5¹³/₁₆	0 5¹³/₁₆
School rate (on 80 per cent. of rent)	0 2⁷/₁₆	0 2⁷/₁₆	0 2⁷/₁₆	0 2⁷/₁₆	0 2⁷/₁₆	0 2⁷/₁₆
	1 0⁷/₁₆	2 11³/₁₆	1 0⁷/₁₆	2 2¹³/₁₆	1 9¹³/₁₆	0 8⁷/₁₆
Total assessments per pound on the several classed rents	3s. 11⁷/₁₆d.		3s. 3¹³/₁₆d.		2s. 6⁷/₁₆d.	

Municipal, parochial, and school-board rating, 1884-'85—Continued.

BARONY PARISH.

Assessments.	On rents £10 and upwards.		On rents £4 1s. and under £10.		On rents £4 and under.	
	Payable by owner.	Payable by occupier.	Payable by owner.	Payable by occupier.	Payable by owner.	Payable by occupier.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Public water rate	0 1	.....	0 1	.....	0 1	.....
Police	.....	1 1½	.....	0 6¾	0 *6¾	.....
Statute labor	.....	0 3	.....	0 3	0 *3	.....
Roads and bridges	0 1½	0 1½	0 1½	0 1½	0 1½	.....
Sanitary	.....	0 2½	.....	0 1½	0 *1½	.....
Public health	.....	0 0½	.....	0 0½	0 *0½	.....
City improvements	.....	0 1½	.....	0 1½	.....	.....
Parks and galleries	.....	0 2	.....	0 2	.....	.....
Municipal buildings, registration of births, etc., registration of voters, valuation of lands, and prison payment	0 1 1/16	0 1 1/16	0 1 1/16	0 1 1/16	.....	.....
Juvenile delinquency	.....	0 0½	.....	0 0½	.....	.....
Poor rate (on 80 per cent. of rent)	0 4⅜	0 4⅞	0 4⅜	0 4⅞	0 4⅜	0 4⅞
Lunacy (on 80 per cent. of rent)	0 1½	0 1½	0 1½	0 1½	0 1½	0 1½
School rate (on 80 per cent. of rent)	0 2⅝	0 2⅝	0 2⅝	0 2⅝	0 2⅝	0 2⅝
	0 11 13/16	2 11 1/16	0 11 13/16	2 2 13/16	1 10	0 8½
Total assessments per pound on the several classed rents	3s. 10 13/16d.		3s. 2 13/16d.		2s. 6¾d.	

GOVAN PARISH.

Public water rate	0 1	.....	0 1	.....	0 1	.....
Police	.....	1 1½	.....	0 6¾	0 *6¾	.....
Statute labor	.....	0 3	.....	0 3	0 *3	.....
Roads and bridges	0 1½	0 1½	0 1½	0 1½	0 1½	.....
Sanitary	.....	0 2½	.....	0 1½	0 *1½	.....
Public health	.....	0 0½	.....	0 0½	0 *0½	.....
City improvements	.....	0 1½	.....	0 1½	.....	.....
Parks and galleries	.....	0 2	.....	0 2	.....	.....
Municipal buildings, registration of births, etc., registration of voters, valuation of lands, lunacy, and prison payment	0 1½	0 1½	0 1½	0 1½	.....	.....
Juvenile delinquency	.....	0 0½	.....	0 0½	.....	.....
Poor rate (on 80 per cent. of rent)	0 3½	0 4	0 3½	0 4	0 3½	0 4
School rate (on 80 per cent. of rent)	0 2½	0 2½	0 2½	0 2½	0 2½	0 2½
	0 9¾	2 9	0 9¾	2 0¾	1 7¾	0 6½
Total assessments per pound on the several classed rents	3s.	6¾d.	2s.	10½d.	2s.	2¼d.

Memorandum.—Had the poor and school rates—also the lunacy rate in Barony Parish—been levied on the gross annual value, as are all the other rates, the total assessments per pound would have been (avoiding close fractions) on the several classified rents—

	s. d.	s. d.	s. d.
In City Parish	3 8	2 11¾	2 3
In Barony Parish	3 7¾	2 11¾	2 3
In Govan Parish	3 4¾	2 8	1 11¾

*Twenty-five per cent. deduction allowed to owners from these rates.

In the foregoing table, "statute labor" means the cost of laying out and paving streets. Anciently all men were obliged by statute to labor a certain number of days in each year upon the highways, and this personal service was afterward commuted to a money payment. The item for "roads and bridges" is for the maintenance of thoroughfares leading to and surrounding the city, Parliament having required Glasgow and

suburbs to expend £12,500 annually for this purpose, of which the share of Glasgow is about £8,000. "Cess" is a small tax—in the case of Glasgow £800—levied by the Imperial Government. Some centuries ago a cess or assessment was levied upon burghs and cities, as occasion required, to provide for defense against raids and insurrections, which at the time of the union between England and Scotland was established as an annual tax. It is the only tax in the foregoing table received by the imperial treasury.

It will be seen that the rates differ in some items in the different parishes. Further, the rate varies according to the rental, being in three classes: Those of £4 and under, those over £4 and under £10, and those over £10.

The number of dwelling-houses of each class for the same year and the total rental of each class are herewith given.

Class.	Number of houses.	Rental.
£4 and under	8,555	£30,115
Above £4 and under £10	76,288	527,816
£10 and upwards	34,569	710,868
Hotel and lodging houses, rented at £50 and upwards	126	41,917
Total	119,538	1,310,736

There were in the same year 6,186 unoccupied houses whose annual value should have been £57,625.

The figures for 1885–'86 vary but little from the above. Of £276,000 imposed on rents of £10 and upwards, £1,600 was unrecovered at the end of the year; of £38,454 imposed on rent of £10 and under, £8,470 was unrecovered. The rates imposed on rents under £4, being laid on the owners, were practically all recovered.

If taxes are to be levied upon rentals, a sliding scale like the foregoing is a judicious concession to the poor, as far as it goes; but there are certain inequalities inseparable from this, and perhaps from any, system.

As there is no difference in the taxation of a dwelling-house or tenement of a certain value and a shop or warehouse of the same value, it is fair to suppose that the burden would be heavier upon the householder, especially if he were a mechanic or laborer, because the occupant of premises used for a shop would be likely to secure a larger income from his business than the artisan or laborer could from his toil, and yet both would pay the same municipal tax; and the occupier of the smallest tenement has at least poor and school rates to pay, although his personal property may be of little value, and his earnings no more than enough to sustain his family. In the United States such persons would be expected to pay only a poll-tax.

The wealthiest merchant pays no more municipal taxes than one who is only moderately successful, unless he does business in a more valuable warehouse. The owner of a dozen ships may keep his accounts in a small office of moderate rent that contributes to the city treasury less than the tax on a cigar shop.

But while the vigilance of the assessors in Glasgow and other cities and towns keeps up the standard of value, it is quite otherwise in the country. A gentleman's estate, or a baronial residence, would not let for a sum at all proportionate to its cost or to its intrinsic value. The timber of forests is not assessed; a park is estimated at its worth for pasturage; gardens and conservatories are considered only so far as

they enhance the annual value, and of course pictures, libraries, and art treasures are not reckoned.

Outside the city limits taxes are assessed by magistrates of burghs and by county officials called commissioners of supply. No one is eligible to be such commissioner who does not possess real estate of the annual value of £100 or more; and as a rule the commissioners are the large land-owners of the country, who are not interested to overvalue real estate, especially the great residences, for the purpose of taxation. The existing valuations have remained without change, in many instances, for a hundred years, and as a rule estates are rated far below intrinsic values. But farmers who pay a fixed rent, and all tenants of small holdings, are taxed according to the rent they actually pay.

It is not within the scope of this report to refer to rents, but it may be observed in passing that they are at present generally above the ability of tenant farmers to pay, owing to the continued depression in prices of crops and cattle, so that the taxes imposed upon this class are probably more burdensome than any levied in Scotland.

Before commenting further upon the taxation of rural estates it will be necessary to present a summary of imperial taxation.

IMPERIAL TAXATION.

The British tariff affects but few articles, chiefly spirits and wines, tobacco and cigars, gold and silver plate, coffee and tea, but the internal taxes imposed by government leave few interests untouched. These may be arranged in classes, viz:

(1) Property and income tax.
(2) Inhabited house duty.
(3) Inventory, legacy, and succession duties.
(4) Excise on spirits, beer, etc.
(5) Licenses for professions and employments, and for luxuries.
(6) Stamps on all legal and business papers and documents.

As this is not to serve as a British tax-payer's manual, but only as a brief report showing the sources of revenue, it is necessary to omit the voluminous details of the statutes and give only an approximate summary.

(1) PROPERTY AND INCOME TAX.

On the owner of real estate 8 pence per pound (one-thirtieth) of the annual rental.

On the occupant of the same, unless it is a dwelling-house separate from a farm, 3 pence (one-eightieth).

On income from public funds or from other investments, or from salary, trade, profession, or employment, 8*d.* (one-thirtieth). But incomes less than £150 are not taxable, and from those between £150 and £400, £120 may be deducted.

Mr. Goschen's budget for 1887 proposes a reduction of the income tax from 8*d.* to 7*d.* He proposes further that tenant farmers instead of being assessed upon the basis of the rental may present an actual statement of profits. In most cases this will be a boon; but there have been many farmers and graziers on long and favorable leases whose profits greatly exceeded the rental.

(2) INHABITED HOUSE DUTY.

If of the value of £20 or over per year, and occupied as a farm-house, or partly as a shop, 6*d.* in the pound (one-fortieth).

All other houses (town, city, or country), 9*d.* per pound of the rental (three-eightieths).

An unforseen difficulty has arisen in cases where a large warehouse, bank, printing-office, or factory needs the protection of a resident janitor or care-taker. Such residence makes the house legally liable to this heavy tax, and it is sometimes evaded by providing a separate entrance for the care-taker and family.

(3) INVENTORIES, LEGACIES, AND SUCCESSIONS.

(*a*) Upon an inventory of personal property of a person deceased, 3 per cent.

(*b*) On legacies, if bequeathed to lineal heirs, 1 per cent.; to a brother or sister, 3 per cent.; to an uncle or aunt, or their descendants, 5 per cent.; to a great uncle or great aunt, or their descendants, 6 per cent.; to any other relative, or to a stranger, 10 per cent.

A legacy from husband to wife, or *vice versa*, is not chargeable.

(*c*) In the succession of real estate a calculation is made of the probability of the duration of the life of the person coming to the succession, the calculation being based on Government tables; the number of years of his expectancy of life is multiplied by the annual value of the estate and the product is regarded as a capital upon which the succession duty is to be paid, following the same rules as in the case of legacies.

It will be seen that in the course of each generation no inconsiderable part of the value of all the real and personal property in the realm goes into the imperial treasury.

(4) EXCISE, ETC.

On spirits, 10*s.* per gallon; on beer, 6*s.* 3*d.* for "36 gallons of worts of the specific gravity of 105 (*sic*) 7 degrees." This averages about 2*d.* per gallon of beer.

On manufactures of gold plate, 17*s.* per ounce; on silver plate, 1*s.* 6*d.*

(5) PROFESSIONS, EMPLOYMENTS, AND LICENSES.

The list is not complete, but it contains all the taxes of any importance. The tax is annual, unless otherwise stated:

Appraisers, £2; admission of attorneys and notaries from £20 to £85, generally £30; annual license for the same, from £3 to £9; auctioneers, £10; license to bankers issuing notes, £30, and a graded tax on the notes also; brewers, £1; beer dealers, from 5*s.* to £4; registration of certain chemical works, from £3 to £5; chemists' stills, 10*s*; game dealers, £2; refiners and dealers in gold and silver plate, from £2 6*s.* to £5 15*s.*; hawkers and peddlers, £2; house agents, £2; makers of methylated spirits, £10 10*s.*; passenger-boat license, £5, the same for one day, £1; pawnbrokers, £7 10*s.*; admission to degree of M. D., £10; admission as Fellow of College of Physicians, £25; railway companies, from 2 to 5 per cent. of gross receipts, except from fares of 1*d.* or less per mile; license to sell spirits, according to rental of premises, from £4 10*s.* to £60; grocers to sell wines, from £2 4*s.* 1*d.* to £10 10*s.*; sellers of sweets (confectionery, preserves, etc.), £5 5*s.*; dealers in tobacco, etc., from £5 5*s.* to £31 10*s.*; vinegar, £5 5*s.*; license to keep a carriage, from 15*s.* to £2 2*s.*; to have a coat of arms on the panels, £2 2*s.*; to use a coat of arms otherwise, £1 1*s.*; for each man servant, 10*s*; for a game keeper, £2; to carry and use a gun, 10*s.*; for each dog, 7*s.* 6*d*, except that farmers and shepherds may each keep two untaxed for service.

Mr. Goschen's budget for 1887 proposes to surrender the proceeds of the carriage tax to the municipal authorities.

STAMPS.

This branch of imperial taxation is minute and far-reaching.

In Mr. Goschen's budget for 1887 the estimate of receipts from stamps is £11,668,000, while the estimate of the whole receipts from taxation

is £76,035,000, showing that stamps pay over 15 per cent. of the entire revenue of the Kingdom. But this statement would be misleading, unless we remember that inventory, legacy, and succession duties are paid by stamps; so that the item includes certain taxes which are already classified under another head.

It is not possible to give the proportion of stamp duties paid by Scotland.

It would lengthen this report needlessly to give details; but it may be sufficient to state that there is no paper or document necessary in business or in court, whether check, receipt, bill of exchange, protest, note, bond, deed, mortgage, release, bill of lading, insurance policy, charter-party, transfer of stock, power of attorney, agreement, award, license, notarial act, certificate, writ, judgment, or record, but must bear a stamp; and the cost of the stamp usually increases with the importance and value of the thing done.

TEINDS OR TITHES.

There remains one other burden to be considered, namely, teinds. Some economists hold that teinds are not a tax, any more than are feu duties. If the purchaser of a feued estate were able to acquire it clear of feu duty, he would have to pay for it as much more as the capitalized value of that duty. That is to say, if the feu duty were £10 per annum, the price of the estate clear of that duty would be increased by a sum large enough to produce £10 yearly, at a low rate of interest.

Teinds were laid upon the lands centuries ago, and lands have been inherited, bought, and sold with a well-known burden. The owner and the occupant of every estate subject to teinds have considered and discounted the burden. Some estates have been freed forever by a money payment. So when a tenant farmer pays, say, £10 in teinds, or for repairing the manse, it should be understood that his rent is just so much lower on account of that liability.

Still, a survey of taxation in Scotland would be incomplete without mention of this subject.

In ancient law teinds were defined as that liquid proportion of rents or goods claimed by churchmen for performing divine service. The Canonists affirmed that this right extended not only to the produce of ground, but also to the results of personal industry, but this claim was long ago abandoned. It was never recognized in Scotland. So far as the right affects the produce of land, it appears to have been recognized as early as the reign of David I, in the eleventh century. The first statute upon the subject is David II, chapter 42.

The right was not always retained for the church, but was sometimes sold, and sometimes given to any poor lay friend of the holder. So that teinds are not in some instances payable to persons the descendants of ancient grantees, who have no connection whatever with the church and have no care of public worship.

Certain lands are exempt from teinds, and it has happened in this way: Certain of the religious orders, viz, Cistercians, Hospitallers, and Templars procured from the Pope an exemption from the payment of teinds to the churches in whose parishes their lands lay.

The monasteries at one time possessed nearly one-third of the solum of the country.

The lands of the three orders named, some of them sold to laymen and some of them given to favorites by royal authority at the dissolution of their houses, remain free from the payment of teinds.

The person who was entitled to the teinds of grain satisfied his right either by accepting a certain quantity of grain from the proprietor or by drawing from or separating upon the field his own tenth part of the grain after it was reaped, from the stock or remaining nine-tenths of the crop. His portion when carried to his own granaries was called the drawn teind.

If the possessor carried off his crop before the churchman was satisfied he was liable to an action.

To remedy this and other grievances an act was passed in 1633 enabling proprietors to sue for a valuation of teinds before certain commissioners appointed by the act. Most proprietors availed themselves of this privilege, and the valuations then established are in force to-day, although the land may be twenty or thirty times as productive.

As a case in point, an estate worth £1,200 scots (£100 sterling) at that date was so valued and the rule was established that the teinds were considered to be worth one-fifth of the annual value (£20 sterling). To this amount the titular or owner of the teinds has right, on condition of maintaining the clergy to that extent. He can not be called upon for more even if the stipend for the clergy is insufficient.

The valuation act of 1633 was most favorable to proprietors, as values have risen; but in a few instances, as in decayed burghs, the effect has been otherwise.

Valuations are occasionally made in modern times, and these are in cases where proprietors long ago neglected to take action, or where the old valuations have been lost. In any new valuations the agricultural value is taken as the basis. This process is carried on before the court of teinds, which is composed of the judges of the court of session, the superior court of Scotland, sitting at Edinburg.

So it will be seen, in rare instances, that of two farms side by side one pays £1 in teinds where the other pays £20.

SPECIMEN OF FARMERS' TAXES.

Farm of Brocklebank, parish of Ellerslee, county of Ayr, possessed and occupied by James Kinnaird, 127 acres.

The annual rental per valuation roll is £270.

IMPERIAL TAXES.

	£	s.	d.
I. Payable by owner.			
(a) Property and income tax on the lands in respect of property	9	0	8
(b) Land tax (same as the "cess" in Glasgow)	5	3	1
II. Payable as tenant:			
(a) Property and income tax as occupant	3	5	7

LOCAL TAXES.

	£	s.	d.
I. Payable as owner:			
(a) Stipend to incumbent of parish	14	4	10
(b) Poor rate on nine-tenth of rental at 4 pence per pound	4	1	0
(c) School rate on same proportion at 3½ pence per pound	3	10	11
(d) Roads and bridges, 2½ pence per pound	2	16	3
	24	13	0
(e) County rates	2	19	1
II. Payable as tenant:			
(a) Poor rate, 2⅞ pence per pound	2	18	3
(b) School rate, 2⅛ pence per pound	2	8	1
(c) Roads and bridges	3	7	6
	8	13	10

SUMMARY.

Imperial taxes:				Local taxes:			
As owner	£14	3	9	As owner	£27	12	1
As tenant	3	5	7	As tenant	8	13	10
	17	9	4		36	5	11

Total imperial and local taxes, £53 15s. 3d.

These taxes, it will be remembered, are payable to different persons, and separate bills are sent for each item.

[Specimen of amount for stipend on the estate last named.]

THE MANSE, *Ellerslee, February* 26, 1887.

James Kinnaird, esq., Broklebank (crop and year 1886), *to Rev. Thomas Murray Forbes for stipend.*

	Bolls.	Firlots.	Pecks.	Lippies.	Amount.
					£ s. d.
Meal	2			2, at 14s. 7½d. per boll.	6 12 1
Barley	2			2, at 18s. per boll.	8 2 6½
					14 14 7½
Deduct income tax, 8d. per pound					9 9½
By cash					14 4 10

T. MURRAY FORBES.

[NOTE.—The above is not a tenth of the crop, but is the amount of the minister's claim upon the teinds of the lands. The price of grains, etc., is fixed each year by a fiars court, presided over by the sheriff of the county. The firlot contains a trifle less than 1½ bushels. There are four firlots, say 6 bushels, in a "boll." In a firlot are 4 Scotch pecks; in a peck four "lippies."]

There was no "inhabited house duty," as the only dwelling on the estate is the farm-house.

The owner of this estate declares that his actual profits were less than £100. He would therefore be greatly relieved of taxation if the change is made in the principle of taxation, as proposed in Mr. Goschen's budget.

It is needless perhaps to observe that the whole question of teinds is intricate, and that their burden is wholly different in different districts.

So, in regard to local rates, it would be impossible to lay down general rules, as they depend upon the needs of each locality.

A general view of Scottish taxation is all that can be presented. To make it accurate and complete, nothing less than a detailed statement covering every county and parish would suffice.

F. H. UNDERWOOD.

UNITED STATES CONSULATE,
GLASGOW, *April* 27, 1887.

TAXATION IN THE DUNFERMLINE DISTRICT.

REPORT BY COMMERCIAL AGENT LUCIEN J. WALKER.

It is not a very easy matter to understand the methods of British taxation. The universal "rates" are apt to confuse the uninitiated. Everything is "rated," there being as many different "rates," it would seem, as there are objects of public expenditure. If you own property or rent a house you must "pay your rates." There is no escape from the taxation.

Taxation is not based upon the gross value of property, but upon the rental. The tax-assessor knows nothing of the gross value of a house, for example, it not being his business to know, but he must find out the sum for which the house is rented. This rule applies to all real estate. A person owning farm land worth £1,000, and renting for £40 a year, is "rated" according to the £40 and not the £1,000.

The common custom is that landlords pay half the "rates" and tenants half. But there are exceptions to this rule, there being special property owners' "rates" and tenants' "rates".

As regards the "school rate," to cite an example, an act of Parliament provides that the parochial board shall fix the "rate," and it shall be paid one-half by the landlord and one-half by the tenant. The same is true of the road "rate," with the difference that it is levied by a county instead of a parish board. Each parish must care for its own poor and keep up its own public roads.

The larger part of this consular district lies within the county of Fife. The area of the county is 492 square miles, and the population in 1881 was 171,931. The valued general rental is £651,715; of railways and water-works, £64,628. The rates of assessment for 1886–'87 are: For county general assessment, 1*s.* 11¾*d.*; police, 9*s.* 6*d.*; lunatic asylum, 5*s.*; valuation expenses, 5½*d.*; registration of county voters, 6*d.*; militia store, 1¾*d.*; local rate, 1*s.*; total, 18*s.* 7*d.* on £100. Add to this the public road assessment, as follows: Dunfermline district, 6*d.*; Cupar, 5½*d.*; St. Andrews, 5½*d.*; Kirkcaldy, 3*d.* on £100. In Dunfermline the parochial assessments are: For the poor, 11*d.*; schools, 7*d.*; registration of births, etc., ¼*d.*; and the purely municipal assessments are, water by landlords only, 4*d.*; water by tenants only, 1*s.* 6*d.*; police by tenants only, 1*s.* Thus it may be seen that in this particular community the tax on each £100 of rental is £1 3*s.* 5¼*d.* This is independent of the "inhabited-house duty" and the "property and income tax." On each inhabited dwelling-house of the annual value of £20 or upwards, occupied as a farm-house, or any shop or warehouse, being part of a dwelling-house, where goods are exposed for sale and sold in the front and basement story, or any house which is licensed for the sale of liquors by retail, or which is occupied as a hotel, although not licensed for the sale of liquors, the duty is 6*d.* per pound; all other houses, 9*d.* per pound.

On each 20*s.* of annual value of lands, tenements, heritages (other than a dwelling-house separate from a farm) in Scotland, there is a tax of 3*d.* The house duty and property tax are taken into consideration by the landlord when renting or leasing his property, and it appears that he and the tenant divide the burden.

The income tax for the current year has been fixed at 7*d.* on each 20*s.*; but it does not apply to incomes of less than £150, and is therefore a tax upon the wealthy and the well-to-do. Persons whose in-

comes amount to £150 a year, but to less than £400 a year, are entitled to an abatement equal to the duty on £120 of their income.

It is not within the province of this report to deal at length with the far-reaching systems of licenses and stamp duties. A mere tabular statement would cover dozens of pages, and would possess no general interest.

In Scotland in 1883–'84 the sum of £3,312,278 was derived from "rates," for purposes of local expenditure. The total expenditure for local purposes was £7,270,959; considerably over one-half of which was derived from tolls, dues, rents, sales of property, Government contribution, and other sources.

LUCIEN J. WALKER,
U. S. Commercial Agent.

UNITED STATES COMMERCIAL AGENCY.
Dunfermline, August 30, 1887.

TAXATION IN EDINBURGH AND LEITH.

REPORT BY CONSUL WALLING.

This report is necessarily involved when the incidence of imperial taxation applicable to Scotland alone as distinct from the rest of the United Kingdom is concerned, because, with a few unimportant exceptions, imperial taxes are levied without regard to the great divisions of the United Kingdom, and the amounts contributed by Scotland to the national treasury are largely accounted in common with those of the other divisions of the Empire, and, in computations the identity of Scotland is in most cases lost altogether, or so far obscured as to become unserviceable for the purpose of this report. Indeed, most of the items of imperial taxation applicable distinctly to Scotland are obtainable only through their separate mention at the instance of Scottish members of Parliament. It is seldom that any record whatever serving to distinguish them exists; consequently, in the compilation of statistics comprehending national taxation in Scotland I shall, in many instances, be compelled to include figures that affect alike all parts of Great Britain. It seems that the intention of the instruction from the Department of State will be more nearly met by a more exhaustive consideration of local taxation, as the administrative characteristics of government are here more distinctly discerned, and the incidence of local taxation as it is found in Scotland is more arbitrary and diverse, presenting many phases peculiar to Scotland.

NATIONAL TAXATION.

A lengthy dissertation on the system of imperial taxation in vogue throughout the United Kingdom is, for reasons apparent, not contemplated here. The existing scheme having been evolved out of the decline of the feudal system is well understood, and long-established lines of precedent following precedent have either through a close approximation to justice or the gradual education of the masses to the methods in use, brought the British public to a degree of restful acceptation of the principles adopted for raising the necessary means to defray the expenses of properly conducting the Government. Much discus-

sion always arises and no doubt will continue when the distribution or incidence of imperial taxation is touched upon, care being demanded that the principle may not be assailed of the greatest amount of returns being obtained in the least objectionable and inquisitorial fashion.

The direction of our inquiry will be to ascertain how benefits and burdens are adjusted between producer and consumer, and whether capital or income is being more largely invaded by the tax-gatherer; also whether the amount of public revenue is in excess of the needs for the efficient administration of the public service. Notwithstanding attention has lately been called to mal-administration in some departments of the British Government it is not acknowledged that the present rate of taxation has reached an abnormal level or is beyond what suffices for the adequate management of public affairs. This accepted, it remains to be seen how national taxation is distributed throughout the United Kingdom and how various classes of the community are affected thereby.

DIRECT TAXATION.

The incidence and amount of direct taxation excite much more comment and attention than any of the numerous indirect imposts, although only about one-fourth of the national revenue is derived from direct sources, the individual becoming more restless under the levy of a penny on a pound taken in one amount directly from his capital or income than from the aggregation of three times this sum distributed through a number of items upon which taxes are placed which reach him indirectly.

Direct taxation reaches the wealth of the country chiefly, if not solely, through the medium of the property and income tax, and in the levy of this tax the anomaly—to the American mind—of the method of assessment is notable, as the basis of the levy is founded, not upon the known or approximated intrinsic or market value of the property, but upon its productiveness only; this principle applying with equal force to heritable or movable (equivalent to what we understand as real or personal) property. The amounts yielded in rentals or the proceeds of use otherwise ascertained, present the basis upon which the assessment of both the proprietor and tenant is made, as here the tenant or occupier shares with the proprietor or land-owner a part of the burden of taxes upon the property, the use of which he enjoys.

The property and income tax is levied as follows:

Schedule A.—On each pound sterling of the annual value of lands, tenements, and heritages, in respect to property (or ownership).

Schedule B.—On each pound sterling of annual value of lands, tenements, and heritages, in respect to occupancy (or tenancy).

Schedule C.—On each pound sterling of annual amount of profits from interest, annuities, dividends, and shares of annuities, payable out of the public revenue.

Schedule D.—On each pound sterling of annual amount of gains, profits, or returns from trades, professions, employments, or vocations, or from personal or other property, not included in schedules A, B, C, or E.

Schedule E.—On each pound sterling of annual amount of salaries, pensions, or annuities paid out of the public revenue, or from public offices or employment.

It should be added that persons whose incomes are less than £150 a year are exempted, and that persons whose incomes are under £400

annually are entitled to an abatement equal to the duty upon £120 of their income.

Property and income tax produced in the year 1886–'87 only £15,900,000, out of a total taxation for that year of £76,115,000.

The land tax levied on land-owners brought in during the same period £1,070,000, and the inhabited house duty, charged on occupiers or tenants, yielded £1,910,000.

The land tax (the present product of which is about £35,000 a year) it may be stated is the oldest mode of raising revenue by taxation in this country. The sum to be paid by Scotland in meeting this tax was fixed many years ago at £47,954, but in virtue of a right to redeem the tax, it is now reduced to £35,000. It is payable partly from burghs and partly from shires. It is collected by the Government along with the property and income tax, but forms no part of this tax.

The occupiers' tax or inhabited house duty is leviable on occupiers or tenants, and is payable in respect of each inhabited dwelling-house that produces an annual rental of £20 or more, occupied as a farm-house, shop, or licensed premises. On such premises the rate is 6 pence per pound, and in all other cases (such as dwelling-houses) 9 pence per pound.

These constitute the direct imperial taxation of the country.

INDIRECT TAXATION.

Under this denomination must be considered all tariff or customs duties, internal-revenue or excise duties, and stamp and legacy duties.

The most productive of these is the excise or internal-revenue duty, which amounted to £25,250,000 in the fiscal year just ended. This tax is laid upon all domestic spirits, beer, chicory, coffee mixture labels; and in respect to licenses, on all appraisers, auctioneers, pawnbrokers, hawkers and pedlars, brewers, distillers, and dealers in spirituous and malt liquors, dealers in tobacco, snuff, and cigars, victuallers and innkeepers, dealers in game, game-keepers, armorial bearings, male servants, carriages, and dogs.

The next in importance to the national treasury under indirect taxation is the tariff or customs duties, which yielded last year £20,155,000, and is placed upon the following articles of commerce: Tea, coffee, chicory, prepared fruit, beer, spirits, wines, tobacco, snuff, cigars, playing cards, silver and gold plate, chloroform, chloral hydrate, and a few other unimportant chemicals. This comprises the whole of the tariff customs list of the kingdom.

The stamp and legacy duty was first imposed in 1780, but for a lengthened period it only affected property of a personal character. Since 1853, however, it has been applied to all descriptions of property, real and personal, and while its product is less than either of the two preceding, it had to its credit on the year ending with June, 1887, £11,830,000. This sum was realized for stamps required upon such dutiable items as the following: Stamps for probate, legacy, and succession, and all legal instruments, as bonds, agreements, conveyances, or transfers, powers of attorney, affidavits, mortgages, etc., all receipts for sums exceeding £2, bank notes, bills of exchange, and promissory notes, and policies of insurance.

DISTRIBUTION AND INCIDENCE OF NATIONAL TAXATION.

The following table, compiled from official sources, shows, from the year 1851 to the year 1885, the gross revenue of the United Kingdom

derived from taxation, with the average amount per head of population:

Year.	Customs.	Excise.	Income tax.	Other items.	Total.	Population.	Per capita of population.
							£ s. d.
1851-'52 ...	£22, 258, 304	£6, 080, 324	£5, 440, 349	£19, 631, 871	£53, 360, 848	27, 390, 280	1 18 11
1861-'62 ...	23, 658, 557	9, 618, 292	10, 471, 207	20, 235, 409	63, 983, 465	28, 977, 133	2 4 1
1871-'72 ...	20, 534, 848	12, 274, 596	9, 328, 102	22, 713, 467	64, 851, 013	31, 555, 094	2 1 1
1881-'82 ...	19, 422, 143	14, 273, 786	10, 004, 904	27, 370, 770	71, 071, 603	34, 952, 204	2 0 8
1884-'85 ...	20, 668, 665	13, 987, 472	11, 922, 770	27, 329, 721	73, 908, 628	35, 961, 663	2 1 1

In a slightly different form I append a continuation of the statistics just noticed, up to the present date.

	1885-'86.	1886-'87.	1887-'88 (estimated).
Customs	£19, 827, 000	£20, 155, 000	£20, 200, 000
Excise	25, 460, 000	25, 250, 000	25, 292, 000
Stamps	11, 590, 000	11, 830, 000	11, 658, 000
Land tax	1, 040, 000	1, 070, 000	1, 065, 000
House duty	1, 850, 000	1, 910, 000	1, 920, 000
Property and income tax	15, 160, 000	15, 900, 000	15, 900, 000
Total	74, 927, 000	76, 115, 000	76, 035, 000
Per capita population	£2 0s. 6d.	£2 1s. 1d.	£2 1s. 1d.

Estimated population, 37,000,000.

The preceding tables apply to the United Kingdom equally; the following to Scotland only:

Returns of the gross revenue of Scotland derived from taxation, and excluding casual and miscellaneous receipts, post-office and telegraph receipts, crown lands and fees in courts of justice taken in stamps for the years mentioned.

Year.	Customs.	Excise on domestic spirits.	Income tax.	Other items.	Total.	Population.	Per capita of population.
							£ s. d.
1851-'52 ...	£1, 909, 468	£1, 798, 916	£440, 576	£1, 692, 335	£5, 841, 295	2, 892, 958	2 0 4
1861-'62 ...	2, 677, 159	2, 910, 688	845, 849	1, 459, 036	7, 892, 732	3, 069, 404	2 11 5
1871-'72 ...	2, 524, 030	3, 832, 833	826, 213	1, 661, 849	8, 844, 925	3, 868, 921	2 12 6
1881-'82 ...	1, 627, 301	4, 089, 620	886, 610	1, 964, 659	8, 568, 196	3, 745, 485	2 5 9
1884-'85 ...	1, 782, 619	4, 053, 683	1, 137, 001	1, 852, 638	8, 825, 941	3, 866, 521	2 5 7

The result of these tables shows that during the last twenty-five years the aggregate amount of taxation for national purposes on each person in the United Kingdom has remained all but stationary, and the revenue has been increasing as nearly as possible in the same ratio as the increase of population. At the same time it is to be noted that the increase of revenue is derivable not from lands but from trades, professions, etc., under schedule D of the income tax. The increase under schedule A, which falls on land, has been very slight. This will be made more evident by reference to the annexed table:

Schedule.	1881-'82.		1882-'82.	
	Property and income assessment.	Amount realized.	Property and income assessment.	Amount realized.
A.—Lands, houses, etc	£173, 350, 829	£3, 611, 307	£175, 059, 817	£4, 741, 158
B.—Occupation of land, etc	32, 673, 788	321, 726	34, 815, 143	402, 347
C.—Government stocks, etc	39, 992, 771	835, 934	40, 206, 304	1. 079, 504
D.—Trades and professions, etc	230, 856, 025	4, 809, 939	241, 096, 839	6. 527, 125
E.—Public offices, etc	27, 255, 409	568, 411	28, 257, 272	765, 148
Total	504, 158, 462	10, 147, 407	519, 435, 375	13, 515, 282

It is apparent that the chief augmentation is in schedule D, under which profits from returns from trades or professions are taxed, although it is a notorious fact that under this schedule the most glaring evasions occur. The present chancellor of the exchequer, indeed, has given it as his opinion that were schedule D properly assessed it would yield more than A.

It is in this respect, therefore, that the tax on "profits" seems almost completely to break down, for the simple reason that there has never been found any efficient method of assessing it even with a wide approach to accuracy. There seems to be little compunction of conscience in regard to the return of this tax, and the subversion of truth affecting it is probably in a vast majority of cases not considered in the light of a moral offense.

Under schedule E there is also a notable increase. It is here that the incidence of the tax is most keenly felt, and it is here, too, from the nature of the vocations of the persons upon which it falls, that it is most scrupulously exacted. It falls upon the large army of persons with small fixed incomes which can always be readily ascertained and verified by the surveyor.

At present all incomes are taxed at the same rate per pound, from whatever source they may come, or however precarious the capital which affords them, or however small may be the amounts. This is felt to operate unjustly on persons of uncertain means, and it is freely urged that while no difference should be made in the rates for incomes from landed and house property, or from accumulated capital in the form of cash, stocks, bonds, or securities, a graduated scale should be adopted with regard to those incomes of a smaller or more uncertain character.

On the other hand, however, it is held by those high in authority in financial affairs that any graduated system would inevitably be pernicious, and that no tax can be a just one which does not operate so that all individuals affected should be left in the same relative position as it found them. It must, of course, depress according to its magnitude, and an equal tax on property and income must bear more heavily upon the poorer than the richer classes, but the same can be said of all taxes that do not subvert the relations between the different classes of society. But, whatever the theory of experts may be, the fact is evident that there is a deep and persistently growing objection to this tax with the classes most affected by it, resulting from the seemingly unjust and certainly very unequal pressure of the tax.

From the foregoing it appears that the tendency of direct taxation is to press more heavily on the trading and industrial classes, and it will not be amiss here to quote some statistics bearing upon the amount contributed to the imperial treasury by real property, or the amount borne by lands and houses in meeting national requirements.

Real property is reached by the Imperial Government for purposes of taxation through the following channels: Stamps on deeds, succession, and probate duty; income tax (Schedule A), land tax, and house tax.

Analysis of imperial taxation, showing amounts falling upon real property.

	England.	Scotland.	Ireland.	United Kingdom.
Stamps on deeds	£1,033,500	£96,750	£60,000	£1,190,250
Succession duty	571,000	70,000	83,000	724,000
Probate duty	143,552	16,584	12,734	172,870
Income tax, schedule A	1,784,875	205,819	213,864	2,204,558
Land tax	1,082,000	35,000	213,864	1,117,000
House tax	1,062,000	69,000	213,864	1,131,000
Total	5,676,927	493,153	369,508	6,539,678

The percentage of the total imperial taxation borne by real property is 12.17, as against 87.83 by taxes other than real property. Of this amount 5.44 falls upon lands only, and 6.73 upon houses. This proportion has varied but little during the last half century, and these figures make apparent to what a very small extent the taxation of land is made available for imperial purposes; and it is interesting here to note what proportion of the national taxation on land is borne by some of the countries on the continent: France, 18.43; Prussia, 11.39; Russia, 11.21; Austria, 17.54; Belgium, 20.72; Holland, 8.68.

Relative to indirect taxes, I have already given the amounts levied, respectively, during the last thirty years, with the amounts per capita assignable to each head of the population. As has been shown, the duties on commodities in this country are divided into two classes: First, the duty charged on certain articles of home production denominated "excise tax," this being synonymous with the term "internal revenue" in use in the United States; second, those duties laid on specific imported articles, constituting the customs duties or tariff.

In all the branches of both services there is a slow but steady growth, indicating a rate of consumption commensurate with the increase of the population, but nothing more. The articles most affected by this increase are tea, tobacco, prepared fruit, and cocoa. The taxes levied upon necessities are so few that little complaint is heard of the incidence or distribution of the customs duties.

It has, however, not been long since the sense of public feeling upon this matter was arrived at through the chancellor of the exchequer attempting to place a tax on matches, when he was met with such a storm of obloquy that he was forced to give up the project.

Notwithstanding the tax on articles of necessity imported into this country is limited to only three or four items, what Mr. John Bright has called a "free breakfast table" can not be realized as long as a heavy import duty remains on those two essentials to a well-regulated breakfast—tea and coffee.

It is not probable that any radical change in the present system will be effected soon, the smaller cost and inconvenience in collecting taxes indirectly levied being the main argument in favor of its continuance.

It appears that the cost of collecting the national revenue has varied little in recent years. In the year 1857 the expense of collecting the public revenue of the United Kingdom, excluding the post-office, amounted to £4 1½*d.* per cent. on the gross product. Despite the increased difficulties in the direction of economical collection that sum

has seldom been exceeded since the period mentioned. The annexed table gives the cost of collection (excluding the post-office) of the national revenue since 1880, with the gross amount collected.

Year.	Total sum collected.	Cost per cent.
		£ s. d.
1879–'80	£66,950,000	4 3 2
1880–'81	68,952,000	4 2 9½
1881–'82	70,581,000	4 0 5½
1882–'83	73,128,000	3 18 6
1883–'84	71,866,000	3 17 1½

LOCAL TAXATION.

In dealing with the very complex question of local taxation in Scotland it should be stated in the outset that much dissatisfaction exists with the incidence of such taxation, and especially with the constitution of the authorities who levy the assessments. This dissatisfaction is not confined to the municipal tax-payers on whom the great bulk of the local taxes fall, but is shared alike by the farming classes, and is more marked during recent years of agricultural depression and low prices. That the situation may be properly understood it is necessary to describe the constitution and powers of those authorized to assess taxes. For all practical purposes local government in Scotland, in conjunction with the warrant for imposing assessments, is in the hands of the following authorities: (1) Burgh boards; (2) parish boards; (3) commissioners of supply.

In the strict sense of the term it is only the Burgh or municipal boards that are subject to popular election; the others require a property qualification, and are largely in the hands of the landlord class; therefore the presumption is in favor of local taxation bearing heavily upon the masses, and favoring the wealthier classes, often leaving vast accumulations of funded and other personal property untouched, only to be reached through the operation of the property and income tax, and consequently not available for local purposes.

Although the question of reform has not come to the front in Scotland to the same extent as in England, it is believed that one of the first great measures of a popular liberal government would be to make a sweeping re-adjustment of the incidence of local assessments.

Burgh boards.—The burghs or cities and towns of Scotland are of three classes, denominated respectively royal burghs, parliamentary burghs, and police burghs, while at the same time there are many cities and towns which have no distinct municipal status, and which are included in the county general management. There are several large burghs that operate under special acts of parliament regulating their entire municipal management, while there are others that have obtained local acts under which they are partially governed, and are otherwise subject to the general police act of the country.

The administrative authorities for municipal purposes are town councils or police commissioners, who levy assessments for police, sewerage, water-supply, internal improvements, paving, lighting, as well as for many other purposes under general and special acts of parliament, such as burial grounds, registration of births, deaths, and marriages, public libraries, public parks, lunacy, etc. Funds are derived from such assessments, as well as from tolls, treasury subventions, and petty customs.

Owners and occupiers of premises are assessed upon a basis rated at so much per pound upon the annual rental, but the heavier assess-

ments—those for police and sanitary purposes—are borne almost entirely by the occupier or tenant in proportions which vary greatly in different burghs. Generally in burghs where the owner has to pay his proportion, it is charged and collected in the first place from the tenant, who makes the proper deduction in paying the rent to the owner. As the local circumstances of the burghs determine their assessment they differ widely in different parts of the country. Some are as low as 11*d.* on the pound, while others reach 2*s.* 8*d.*, and a few at times even exceed this amount. As would be expected, rates, as a rule, are highest in the larger centers of population.

In the fiscal year ending in 1884 the total amount realized through assessment by burgh authorities in Scotland was £1,353,645, of which £1,161,917 was paid in respect to occupancy, or by the tenant, and the remainder of £191,728 in respect to ownership, or by the landlord. It is thus evident that the burgh rates imposed on the tenant are nearly six times as great as those acquired from the owners in municipal districts. The same facts are apparent in the returns which have just been issued for 1884–'85.

Parish boards.—These local authorities are the oldest existing in Scotland, and the area of their jurisdiction, both for civil and ecclesiastical purposes, includes the whole of the country. Within the area of the parish, assessments are imposed for the relief of the poor, for education, and for other minor purposes, and it may here be pointed out that the assessments for the relief of the poor and education comprise more than three-fourths of the parochial assessment of Scotland.

The school board assessment, which is paid one-half by owners and one-half by occupiers, is fixed by the school board itself, and by them what is called a "precept" is forwarded to the parochial or parish board, which collects the amount and passes it over to the credit of the school board. In the year ending 1883–'84 the sum so collected amounted to £441,610; in 1884–'85 it was £443,684.

The parochial boards levy the poor rate (which is borne in equal proportions by the landlord and tenant) as well as assessments for the following purposes: Public health acts, registration of births, deaths, and marriages, burial grounds, and valuation of lands. The total assessment so imposed in 1884–'85 amounted to £839,383.

Commissioners of supply.—This is the chief county or rural authority for administrative and assessment purposes. Its members must be qualified as owners—or the husbands of owners—of lands or heritages of the yearly rental value of £100 or more. This board is also open to the sons of proprietors whose rental is not less than £400 per annum, and to the factor or land agent of an estate of the yearly value in rental of £800. The factor, however, only acts and votes in absence of the proprietor. At one time the commissioners of supply collected the national revenue, including customs and excise. Now they are charged with the levying of assessments for general county purposes, including police, lunacy, militia, valuation of lands, contagious diseases (animals) act, and minor purposes.

The assessments they make are very light, about 3*d.* per pound being the average throughout Scotland. But, in explanation of this, it should be mentioned that they receive heavy subventions from the national treasury towards the maintenance of police and lunatics. The rates imposed by these commissioners (which are almost exclusively on own ers), amounted, in 1884–'85, to £156,028.

Other authorities.—For the maintenance of roads and bridges in both burghs and shires are established road trusts. In the burghs especially

these are more or less of a representative character. Prior to 1878 roads and bridges in Scotland were under various systems of management, and the income therefrom was mainly derived from tolls. In the main, however, tolls have been abolished, and the necessary income, which at one time was chiefly drawn from occupiers or tenants, now falls in most counties in about equal amounts upon owners and occupiers.

The heritors or proprietors in a parish are charged with the duty of levying certain assessments for the maintenance of the Established Church of Scotland under the following heads: Churches, manses, glebes, church-yards. These taxes are imposed entirely on owners of land, and in 1884–'85 realized £43,213.

The district fishery boards have also a limited power of assessment, which, however, rarely exceeds £10,000 per annum in proceeds for the whole of Scotland.

These constitute the only rating or assessing authorities for local purposes in Scotland. It may, therefore, be convenient to append a brief abstract of the assessments imposed by them for the year 1884–'85, the returns for which were only issued a few days ago by the local government board. The ratable value of Scotland is £23,550,000, and the population at the last census was 3,885,800.

Assessments levied by local authorities in parishes, burghs, and counties of Scotland during the years 1883–'84 *and* 1884–'85.

PARISHES (LANDWARD OR RURAL).

	1883–'84.	1884–'85.
Ratable value (exclusive of burghs)	£12,109,800	£12,104,000
Poor rate	364,650	353,223
Public health rate	54,350	59,912
School rate	296,340	297,264
Ecclesiastical assessment	45,188	43,213
Registration, burial ground, and valuation	28,795	29,248
Total	789,323	782,860

BURGHS.

Ratable value	£11,278,000	£11,446,000
General police assessment	601,502	616,903
Poor rate	410,000	397,000
Public health rate	74,415	83,113
Water rates and assessments	388,190	395,603
School rate	145,270	146,420
Burgh roads	109,437	166,828
Other assessments and general acts	93,552	93,826
Assessments under special acts	171,364	101,583
Total	1,993,730	2,001,376

COUNTIES.

Ratable value	£14,149,333	£14,102,366
Police assessment	84,315	83,466
Lunacy assessment	25,656	27,155
General and minor assessments	48,391	45,407
Roads	368,038	392,978
District fishery boards (ratable value £88,128)	8,836	9,603
Total	535,836	558,609

TOTAL ASSESSMENT IN BURGHS, COUNTIES, AND PARISHES.

1883–'84	£3,318,889
1884–'85	3,342,845

An examination of the above figures will show that the rate of assessment throughout Scotland during the year 1884–'85 amounted to 2*s.* 10*d.* per pound of valuation, and 17*s.* 2½*d.* per head of the population. In the previous year the rate of assessment amounted to 2*s.* 10½*d.* per pound of valuation, and 17*s.* 3*d.* per head of population. The local taxation revenue is distributed in the following proportions:

	Per cent.
Rates	61.0
Tolls, dues, etc	20.8
Treasury subventions	11.8
Other sources	6.4
Total	100.0

In other words, during the year mentioned the sums received by local authorities amounted to £5,475,640, of which £3,342,845 was (as shown above) derived from rates; £1,135,596 is attributable to tolls, dues, duties, fees, fines, and rents of corporate property; £648,303 from grants by Parliament in aid of local taxation, and £348,896 was contributed from various other sources.

An estimate has been made of the amount of the assessment of £3,342,845 (1884–'85) which was recoverable from owners of property and from occupiers respectively, and the result may be given in the following table:

	Total assessment.	In respect of ownership.	In respect of occupancy.
Parochial boards	£839, 383	£419, 691	£419, 692
School boards	443, 684	221, 842	221, 842
Burgh authorities	1, 333, 936	205, 537	1, 128, 399
Commissioners of supply	156, 028	151, 164	4, 864
Roads and bridges trusts:			
Counties	307, 611	167, 616	139, 995
Burghs	124, 020	62, 010	62, 010
County road trusts	85, 367	42, 683	42, 684
Heritors for ecclesiastical purposes	43, 813	43, 212	.....
District fishery boards	9, 603	9, 603	.....
Total	3, 342, 845	1, 323, 359	2, 019, 486

In recent returns the receipts from assessments have been divided into two classes: (1) "Non-remunerative;" and (2) "remunerative and property-improvement taxes," though to the writer the distinction is not clear. The first class is mainly devoted to the protection of life and property, the maintenance of the internal peace of the realm, and the relief of the poor. The total assessment raised for these purposes during the year was £1,353,470, as shown by the following table:

Non-remunerative local taxation.

	Total receipts from assessments.
Poor rate	£750, 223
County-police rate	83, 466
Burgh-police rate	519, 781
Total	1, 353, 470

Under the second or remunerative class the taxation of the year amounted to £1,989,375, as follows:

Remunerative local taxation.

	Total receipts from assessments.
Public health	£143,035
Lunacy	33,541
Registration	42,163
Burial grounds	17,545
Valuation	8,808
School	443,684
County	39,855
Roads	559,806
Ecclesiastical	43,213
District fishery	9,603
Other rates, such as sewerage, water, etc	648,122
Total	1,989,375

Amounts received and expended by burgh authorities, 1884–'85.

	Amount.		Amount.
RECEIPTS.		Removal of nuisances	£20,637
		Hospitals	36,057
Revenue from property and common good	£204,625	Burial grounds	6,775
Assessments under general or special police acts	664,509	Public libraries	5,341
Assessments under public health acts	83,123	Artisans' dwellings	3,438
Assessments under other general acts	93,826	Registration	10,092
Assessments under special acts	492,478	Registration of voters and elections	14,005
From Her Majesty's treasury on account of pay, etc., of police	87,011	Valuation	9,597
Other receipts	6,171	Lunacy	7,286
Other sources	213,309	Contagious diseases (animals) act	14,191
		Militia	310
Total receipts exclusive of loans	1,845,052	Sheriff, court-houses	985
From loans on security of rates	1,074,385	Cess and land tax	8,344
		Weights and measures	2,811
Total	2,919,437	Payments under prisons act	1,288
		Salaries, fees, etc	71,171
EXPENDITURE.		Contributions to school board	3,964
		Roads and bridges	8,599
Public works	112,224	Public parks	35,322
Police	214,427	Other expenditure:	
Lighting, etc	420,852	(A) Interest on money borrowed	386,554
Drainage	52,138	(B) Any other expenditure	266,277
Water supply	180,280		
		Total expenditure	1,902,965
		Repayments of loans	957,215
		Total	2,860,180

Amounts received and expended by parochial boards, 1884–'85.

	Amount.		Amount.
RECEIPTS.		Under poor-law acts—Continued.	
		Cost of collection of rates other than poor-rate	£10,611
Assessments	£839,383	Buildings	40,870
Government grants:		Cost of education of non-pauper children	8,977
Medical relief, pauper relief, treasury	105,347		
Other sources	56,388	Total under act	897,685
		Under public health acts	82,661
Total	1,001,118	Registration acts	13,866
From loans	44,691	Burial grounds	24,629
		Valuation	1,152
Total	1,045,809		
		Total	1,019,993
EXPENDITURE.		Repayment of loans	51,032
		Total	1,071,025
Under poor-law acts:			
Relief and management of poor, including collection of poor-rate	837,227		

Amounts received and expended by school boards, 1884–'85.

	Amount.		Amount.
RECEIPTS.		**EXPENDITURE.**	
School fees	£236, 038	Elections	£12, 085
Government grants	350, 485	Salaries of officers	42, 123
School rate	443, 684	Salaries of teachers	669, 325
Interest from endowments and other sources	38, 370	Purchase of sites	26, 445
		Erection of buildings	173, 674
		Other expenses	258, 644
Total	1, 068, 577	Total	1, 182, 296
Loans	173, 859	Repayment of loans	71, 535
Total	1, 242, 436	Total	1, 253, 831

Amounts received and expended by commissioners of supply, 1884–'85.

	Amount.		Amount.
RECEIPTS.		**EXPENDITURE.**	
Assessments:		Payments out of county general assessments:	
County, general, police, militia, lunatics, etc	£156, 028	Salaries, prosecutions, lunacy, etc.	£32, 977
Miscellaneous	12, 026	Payments under other acts:	
From the imperial treasury for pay of police, etc	65, 784	Militia, valuation, registrations, etc	49, 048
		Police	147, 376
Total	233, 838	Other expenditure	3, 893
Loans		Total	233, 294
Total	233, 838	Repayment of loans	9, 210
		Total	242, 504

INCIDENCE OF LOCAL TAXATION.

It has been shown that so far as Scotland is concerned 61 per cent. of the direct local taxation is derived from assessment on real property. A complete revolution has taken place in the relative positions of lands and other classes of property as contributors to local taxation. While, in 1814, lands, speaking roughly, represented 70 per cent. of the total value of real property, they now represent about 33 per cent.; houses, which at the same period contributed only 27.84 per cent. of the total value, now represent 47.27 per cent.; while railroads and other such property which, in 1814, represented only 2.88 per cent. of the whole, now together contribute 19.53 per cent.; therefore, if the amount of taxation imposed had remained the same, a great portion of the burden originally borne by lands would have been shifted to other kinds of property. But the aggregate amount of this direct local taxation has enormously increased, and Mr. Goschen, the present chancellor of exchequer, shows that the greater portion of it has fallen upon cities and towns, not rural districts, and is to be attributable to the increase in the poor-rate, town improvements, and police rates. Irrespective of the new rates which have since been levied, there has, he says, been a marked decrease in the average rate per £1 on land, while the increased proportion of the new rates, being levied exclusively in towns, has fallen, not on land, but on houses. In fact, not only has the bulk of the new rates fallen on the towns, but the rate of increase in the chief of the old burdens has been nearly three times as great in the towns as in the country. The progress in the burdens on land, in fact, for local pur-

poses, has not, it is asserted, been greater than the increase in their value, as shown by the greatly increased rentals. The poor, county, police, and highway rates show their greatest increase in manufacturing counties, while purely agricultural counties—except, perhaps, in the matter of education and poor rates—remain very much in their former position.

In nearly all the towns and cities of Scotland, therefore, there is an ever-growing increase of local burdens. In 1880 the direct taxes were £2,941,000; in 1881–'82, £3,085,707; in 1882–'83, £3,053,132; in 1883–'84, £3,318,889; and in 1884–'85, £3,342,845. Excluding school-rates and poor rates the burghs alone contributed by far the greater moiety. In the cities of Glasgow, Dundee, and Aberdeen there has been an addition to the police and parochial assessments within the last nine years of about 6 pence in the £1, that is to say, in their city or principal parishes where population is thickest. In Edinburgh, on the other hand, there has been a decrease of about 3 pence 1 farthing in the £1; but, taking the entire city, the burgh rates remain very much as they were ten years ago.

In what proportion taxes are usually shared, as between owner and occupier, will be seen by the annexed statement, applicable to Edinburgh, and, to some extent, applicable also to other cities in Scotland.

	Occupier.	Owner.	Total.
	s. d.	s. d.	s. d.
City parish	2 7¾	1 0¼	3 8¾
St. Cuthbert's	2 7¾	1 0¼	3 8¾

Burgh or municipal assessments provide for the expenses of all police purposes; for the repair and maintenance of public streets, roadways, and sidewalks; the formation and keeping in order of sewers and drains, and the liquidation of obligations incurred for general improvements, as well as the carrying out of the provisions of certain general acts. As a rule the occupier's portion of such assessments is not leviable on properties under £5 of rental, unless (1) the occupier of such property is also the owner; or (2) when the aggregate rental of properties occupied amounts to £5. The actual occupier is liable in payment of the whole burgh assessment, and is entitled to retain from the rent the whole portion falling by law on the owner, the amount of which is shown on the face of each receipt, but owners letting premises for less than a year are themselves, as well as the occupiers, responsible for the whole assessment.

The municipal taxation levied on occupiers is nearly three times as great as that imposed by commissioners of supply on land-owners in counties, and it threatens to become greater. It is not seriously disputed that the sums raised are in excess of actual requirements, but there is a growing opinion that some serious attempt should be made to relieve the poorer tax-payers of part of their burdens. The most practical scheme that has been suggested is that there should be a graduated system of levying the taxes on the different classes of householders, a system which, it is contended, would impose an all but inperceptible burden on the richer members of the community, while sensibly relieving those who are at present little removed from a state of pauperism.

The rates which fall most heavily on the tax-payers, both in town and country, are the education assessment and the poor rate, both of which

are imposed by the numberless parish authorities throughout the country. This multitude of petty parishes (numbering between poor and school boards over 1,800) are each armed with the fullest powers of taxation and disbursement, and each confines its views within its own diminutive territory. One in about every three parishes has fewer than 1,000 inhabitants, and one in about every ten has fewer than 500, yet each has its organized powers, its salaried officials, and its parliamentary privileges. They are perpetually engaged in litigation with one another as to the "settlement" of paupers. A period of five years' residence in a particular parish, it should be explained, entitles a pauper to claim relief from that parish, and as the limits of each are by no means sharply defined, while paupers themselves are apt to be migratory in their habits and are not provided with written testimony of their various wanderings, an enormous waste of time and money occurs in settling such disputed points. There is a constant effort, therefore, to shift the responsibility from one parish to another and, with the costliness of this proceeding and the vast number of officials employed, it is calculated that in Scotch parochial boards one-eighth of the entire expenditure is made up of the cost of management.

Parishes with a population of 5,000 and upwards must provide a poor-house, or join with others in so doing, and there are 63 of such establishments in Scotland. The average cost of maintaining the ordinary pauper is £8 10*s.* per annum. The expenditure for relief and management is equal to 9*d.* per £1 of the valued rental. In 614 parishes the rate is equally levied on owner and occupier, but in 190 a "classification of ratable subjects" is adopted on the following scale: (1) Dwelling-houses and shops pay on full rental; (2) mines, quarries, market-gardens, manufactories, and railways pay on two-thirds of their estimated annual rent; (3) lands and houses used for agricultural purposes pay on one-third of their annual rent.

It is thus apparent that there is a great diversity in the mode of rating adopted.

With regard to school rates the complaints are great. In the arbitrary area rating adopted—that of the parish—no account is taken of the circumstances of the people, so that while one part of a county or shire may pay a rate of 2 pence in the £1, another portion, immediately contiguous, may contribute as much as 2 shillings. Farmers make special complaint of this impost, particularly as, at the time of the passing of the education act in 1872, no account was taken of then existing leases which were based on a calculation in which school rates formed no part. The result has been that many farmers have to pay as much as £20 or £30 additional under this head alone, on which they had not calculated when they took their leases.

Thus, while the agricultural classes are often heavily mulcted, landowners escape in many cases. Woods are, for assessing purposes, valued only at what the ground covered by the wood might be supposed to let for if under pasture—say from 6 pence to 2 shillings per acre. In the event of arable land being planted, the annual rental value of the soil when it was under cultivation is regarded as the basis. But the great proportion of existing woods was formerly waste lands, on which the rating value is at present nominal, viz, 1 shilling, and after these waste lands are planted the augmented value escapes taxation. Land worth, as sheep pasture, from 6 pence to 1 shilling per acre in annual rental, is worth, when planted, from 10 shillings to 15 shillings per acre.

Again, grounds for shooting purposes are only valued when let to a tenant, and then the rental forms the basis of taxation; and the question

arises, why such property retained for the owner's own amusement should escape taxation.

It is felt, therefore, that by an adjustment of the incidence of local taxation in the way of including woods and shootings at their full value, farmers and others would experience considerable relief. It is maintained also that the farmer is unfairly taxed when rent, which is in part the expenses of his business, is taken as the basis of assessment.

It would appear that if many of the existing parishes were amalgamated, or a uniform board established for the whole county, great saving in the cost of management and collection would be effected, while the rates themselves, instead of being extremely high in one district and extremely low in another, would be so equalized among all classes as considerably to minimize their pressure.

The rates levied by commissioners of supply are so small in amount (they average about 3*d.* in the pound) that little need be said regarding them, the more especially as all of them fall upon the land-owners, who themselves impose them. It has been suggested that these bodies should be made representative both of owners and occupiers; but it is to be remembered that the "county (or shire) rates" levied by them are paid exclusively out of their own pockets, and notwithstanding "taxation and representation" should, as far as possible, go hand in hand, there is no consuming desire on the part of farmers and others to take part in their deliberations, unless, indeed, representative "county boards" were formed, who should be charged with the imposition of all rates within the county.

To sum up, it will be found that in Scotland the increase of direct local taxation for all purposes has been great. The figures are:

Year.	Direct local taxation.	Indirect local taxation (tolls, dues, etc.).
1880–'81	£2, 941, 000	£1, 014, 000
1881–'82	3, 085, 707	1, 079, 034
1882–'83	3, 053, 132	1, 185, 044
1883–'84	3, 318, 889	1, 122, 633
1884–'85	3, 342, 845	1, 135, 596

Being at the rate of 17*s.* 2*d.* per head of the population.

A large proportion of this increase has fallen upon cities and towns rather than upon rural districts, and therefore upon the poorer and middle classes of society.

Of this increase, the whole or nearly the whole is due to the poor rate, education rate, town improvements, and police and miscellaneous rates.

The greater portion of this increase has fallen upon houses rather than upon lands, and upon "occupiers" rather than upon "owners."

WILLOUGHBY WALLING,
Consul.

UNITED STATES CONSULATE,
Leith, September 14, 1887.

WALES.

LOCAL GOVERNMENT AND TAXATION AT CARDIFF.

REPORT OF CONSUL JONES.

An attempt has been made in the following pages to deal with national and local taxation in this country, as required by a circular issued by the Department and dated March 21, 1887. No excellence whatever is claimed for the work done. But the comprehensive character of the endeavor may be pointed out. An attempt has been made to deal with national taxation, local government, area, authority, the county, the union, sanitary authorities, the parish, the municipal borough, the local board of health, valuation, the incidence of taxation, and relative questions; moreover, the revenue and expense accounts of Cardiff have been incorporated and analyzed according to the instructions of the Department.

Local taxation would be incomprehensible without a knowledge of local government. The officers of the latter determine, levy, and collect the former; and in order to make the relationship existing between the various local authorities even tolerably clear, it will be necessary to deal with the subject at considerable length.

LOCAL GOVERNMENT.

The reform act of 1832 marks an entirely new departure in the local government of this country, and by the enactments of 1871 and succeeding years the control was largely vested in a governmental department, presided over by a member of the cabinet, and known as the local government board. This department exercises large executive and discretionary power over the various local governing bodies, having control of pauperism, the public health, the prevention of diseases, town improvements, registration, official accounts, and returns appertaining to local taxation, and the operations of the highways and turnpike acts.

AREA AND AUTHORITY.

The country is divided in a variety of ways for the different purposes of local government, and the largest, and possibly the most perfect unit is the county. It is scarcely necessary to say that counties differ very widely both in size and in population. Extremes in this regard are found in the county of Rutland, measuring 94,889 acres, and having a population of 20,434, and Yorkshire, with its 3,882,851 acres, and a population of 2,886,309. The counties average 717,677 acres in size, and about 500,000 in population.

There are quaint subdivisions of counties peculiar to different sections of the country, and full of interest from an historical, but not perhaps important from the practical, point of view which we are now taking. For instance, Yorkshire is subdivided into ridings; Lancashire into parts; Sussex into rapes, and Kent into lathes. There were, also, in former times the hundreds or wapentakes, the wards, liberties,

and sokes, which added to the complications of local government in those days. But these quaint and curious geographical divisions belong to other researches than the present.

The lord lieutenant is at the head of county officers. He is appointed by the Crown for life, and is looked upon as the military representative of the sovereign within his shire. He is the keeper of the county records, appoints the clerk of the peace (of the county magistrates), and nominates the county magistrates, who are appointed by the lord chancelor. The lord lieutenant is always a leading landed proprietor in the county. Next in rank comes the high sheriff, who is appointed by the Crown, or, more strictly speaking, by the government of the day, and holds office for one year. He is supposed to represent the sovereign within the county in a civil capacity. He is responsible for the election of coroners, and is in attendance, as head of the county police, upon the judges of assize, when holding court within the county of his shrievalty.

The county magistrates, as already indicated, are appointed by the lord chancelor upon the nomination of the lord lieutenantof the county. They are liable to dismissal by the appointing power. They are designated as the "great unpaid," and are appointed chiefly because of their social position in the county. Only a small proportion of the county magistrates attend to the multifarious duties which devolve upon them. In the administration of justice, when assembled in quarter sessions, under the presidency of the chairman elected by themselves, they have criminal jurisdiction extending to all offenses excepting a few of the most aggravated, which are reserved for the superior courts of assize. Of the minor functions of magistrates, some can be performed by a single member, others by two sitting at petty sessions.

But the magistrates assembled at quarter sessions exercise a general control, by way of appeal or revision over the action of individual magistrates, or of magistrates at petty sessions, and the standing committees of quarter sessions, through which they conduct most of their business, are practically so many little departments of state for the legal government of counties.

Lord Edmund Fitzmaurice, in a valuable pamphlet on the areas of rural government, enumerates the administrative duties of justices in counties in the following schedule:

Adulteration of food and drink.
Bridges.
Contagious diseases (animals):
  Committees.
  Inspectors and officers. Appointment and removal of.
Coroners:
  Division of the county into districts.
  Fees.
County property. Management of.
Fish conservancy.
Highways. Formation of districts.
Jails. Visiting committee. Appointment of.
Judges' lodges. Building.
Licensing public houses, pedlers, and locomotives.
Lock-up houses. Providing.
Lunatic asylums:
  Appointment of.
  Committee of visitors.
  Granting license for.
  Private.
  Public. Appointing.
Luantic asylum—Continued.
  Public.
  Providing, generally.
  Regulations and management.
  Visitors, etc.
Main roads, contribution of a moiety of cost of maintenance; making of by-laws for main roads and highways for the form of the acts, and in some cases for the audit of the accounts of the highway authorities.
Petty sessional division:
  Altering and forming new divisions.
  Providing court-houses and settling clerk's fees.
Police force. Establishment of.
Police.
Registration of voters. Payment of expenses.
Schools (industrial). Providing.
Schools (reformatory). Providing.
Shire hall, etc. Rebuilding.

Slaughter-house. Granting licenses.
Union of liberties with counties. Power to make.
Union of extra parochial places with parishes. Order for union.
Vagrancy, prevention of.
Valuation and assessment of the county for the county rate.
Weights and measures:
Providing copy of standards, and appointing inspectors.
Wild fowl:
Preservation of.
Quarter sessions may apply to home secretary for variation of period for killing wild fowl.

Next to the county, the poor law union is the most important area in all that appertains to local government. There are in England and Wales 649 unions, having control not only of pauperism but constituting a basis for dealing with sanitary administration in country districts. They are capriciously formed, often extending beyond the boundaries of counties, and not unfrequently overlapping their own supposed boundaries. There are about 200 unions which are situated partly in one county and partly in another.

The poor law union is administered by a board of guardians. This authority ranks next to the quarter sessions in importance in the local government of rural districts within the county. The board of guardians is composed of *ex officio* and elective members, the *ex officio* members being county magistrates residing within the Union, and the elective members being those chosen by the union electorate. The *ex officio* members or magistrates must not exceed one-third of the whole of the members of the board of guardians. This board constitutes a deliberative assembly, while it also administers the affairs of the union for the maintenance of the poor and sanitary arrangements.

Mr. R. S. Wright says:

The union collects its funds (and also the county rate) by means of orders upon the overseers of parishes. Nevertheless the union must be regarded as being in substance the rating authority in relation to the poor rate, because it controls the valuation, enforces the collection, and determines by far the greater part of the expenditure which is defrayed out of that rate. There is now (special sanitary expenditure excepted) hardly any part of this expenditure which is not borne by the common fund, which was instituted in 1834 for work-house and establishment purposes, but on which there has since been thrown, practically, the whole cost of poor relief, valuation, registration, vaccination, and (in rural places) all general sanitary purposes.

The guardians are elected on the 7th and 8th of April. The electorate consists of owners and occupiers of houses. Voting papers are left with the voters, collected on the following day, and the plurality elects.

The qualifications of candidates for guardians varies from £15 to £40 rating valuation in different unions.

The parish is the simplest area for the purposes of local government and taxation. In olden times this subdivision had the parish church for its center, and the incumbent of that church as its controlling spirit. But the influence of the parson has gradually declined, and the area of parishes has been subdivided, with the result, of course, that civil parishes exceed the ecclesiastical parishes in numbers, the former being 15,400, while the latter number only 13,000. But, as Mr. Brodrick says:

The independence of civil parishes has been rudely infringed of late years by the creation of unions with superior power of poor-law management, by the subsequent introduction of union chargeability, by the substitution of county police for parish constables, by the gradual subjection of parish roads to highway boards, and by other steps in the direction of centralization.

The overseers are the parish officers, and are appointed by the justices on the 25th of March of each year. They are intrusted with making the rates within their various parishes according to the require-

ments of the parish, the union, the highway board, and the sanitary authority; that is to say, the overseers aggregate these several requirements, and assess them upon the valuation for which each hereditament figures in the parochial list as issued by the assessment committee.

The parochial vestry is supposed to be the governing body of a parish, while the clergyman is chairman of the vestry. But the duties of the body are nominal, and the authority of the head of the state church is very naturally resented, especially when the non conformists are in a majority, and is fast passing away.

Highway boards may have control of the highways of the parish, or a combination of parishes. The highway rate is levied and collected in conjunction with the poor rate; the sum required being sent by the highway board to the overseers of parishes, who make the levy and the collection accordingly.

Excluding for the present corporate towns and urban sanitary authorities, it may be said that the county, which is the largest area for the purposes of local government and taxation, embraces an area equal to a circle of 18 miles radius, and the union, the next largest district, a circle of about 5½ miles radius, while the parish averages an area estimated at about 1½ miles radius.

The country is divided into sanitary areas. Towns of over 6,000 inhabitants constitute urban sanitary districts, administered by the officers of such towns whether corporation officers or commissioners. Rural sanitary districts, where coterminous with the poor law unions, are under the authority of the union or board of guardians. The local government board can unite small districts together and form urban sanitary districts even with a population of less than 6,000. These sanitary authorities deal with the character and construction of buildings, the cleansing and watering of streets, with nuisances, offensive trades, infectious diseases, and occasionally with the supply of gas and water; and the sanitary authority is ordinarily the burial board of the district. The rural district is taxed for general expenses. Where the corporate town constitutes an urban sanitary authority, all the expenses incurred by that authority in the discharge of its various duties are levied upon the borough rate. In towns under commissions the cost is borne "by any rate leviable by them, and it is provided that limits imposed on ordinary town rates shall not apply to rates for sanitary purposes."

The important governing bodies remaining to be noticed are the municipal boroughs, numbering some 240, and the local boards, numbering about 800. The municipal boroughs have complete powers of local government, and have control of the police and the administration of justice within the municipality through magistrates' courts. Boroughs are divided into wards, which send two or more councilors for each ward to represent them in the town council. Councilors are elected for three years and are eligible for re-election. The councilors elect aldermen in the proportion of one-third of the number of councilors. Aldermen hold their office for six years and are eligible for re-election. The town council, consisting of aldermen and councilors, elect a mayor, who serves the borough for one year. Elections of councilors take place on the 1st day of November, and the mayor and aldermen are elected on the 9th of the same month. Thus it is that the councilors are elected by the people, the aldermen by the councilors, and the mayor by the aldermen and councilors. The mayor receives a nominal salary; the aldermen and councilors are unpaid.

CORPORATION OFFICIALS.

All the affairs of the corporation are managed by the council, and committees by it appointed, excepting in the case of the free libraries and museums committee, where it is provided by act of Parliament that persons not members of the council may serve upon such committee without salaries. The police force is appointed and controlled by the council through the watch committee.

The permanent and paid officers of a corporate town consist of a town clerk, who keeps the records of council meetings and transacts legal and parliamentary business; a borough treasurer, who is responsible for receipts and payments; a borough surveyor, who has charge of the roads, streets, lighting, water-works, and other public works; a medical officer of health, who looks after the sanitary affairs of the town; an inspector of nuisances; and a chief constable, who, under the watch committee, has charge of the police force. These constitute the general staff of an ordinary corporation, but in large towns there are other paid functionaries.

The cost of municipal affairs is defrayed out of the borough fund, composed of the income derived from property, which is very large in many cases, supplemented by a local rate. This is determined by ascertaining the value of ratable property and apportioning upon such value the sum required, and called the general or borough rate. The rate is collected by the overseers of the poor of the various parishes in the town, and paid into the borough treasury. The school rate is included in the borough rate and is, of course, collected with it.

Municipal corporations have power to borrow money for municipal purposes, such as cemeteries, asylums, baths, hospitals, sewerage, industrial schools, libraries, public buildings, and improved dwelling-houses known as industrial dwellings, and the interest of such loans are paid out of the general rate. Moreover, power may be obtained from Parliament for borrowing money for the construction of docks, harbors, and piers, etc.

Contributions towards the funds of boroughs are made by the General Government in this way:

By grants amounting to half the pay of the police force on a certain certificate of efficiency being given by a general inspector; second, half the salary of the medical officer of health on condition of certain returns being made to the local government board, and of the board having a voice in the appointment and removal of such officer; and, third, in payment of part of the cost of criminal prosecution in boroughs having no separate quarter sessions, the cost of any such cases being dependent upon taxation by the treasurer.

Local boards exercise authority in towns and districts under the public health and local government acts of 1872 and 1875. The members of local boards have no designating titles; their functions are confined to the maintenance of roads and streets, the control of sanitary arrangements, care for the public health, prevention of nuisances, and in some cases they provide gas and water for the community. Local boards have no authority over the police and no concern with the administration of justice, being in this regard merged in the county government.

THE COUNTY OF GLAMORGAN.

For the further elucidation of the subject it is, perhaps, desirable to deal with the local taxation of this district, or, more properly speaking, of the county and poor law unions of Glamorgan and the borough of Cardiff.

The county of Glamorgan is by far the richest and most populous in the principality of Wales. It embraces an area of 547,070 acres, is rich in minerals, but especially in coal. It had a population in the year 1881, the last census year, of 511,672. According to the owners and heritages return, made some thirteen years ago, the county was divided among 8,426 landed proprietors, holding together 428,386 acres of land, with a gross estimated rental of £1,609,397. The difference between the entire area of 547,070 acres and the acreage of 428,386 embraced in the estates mentioned consists of commons and waste lands amounting to 118,684 acres. The number of proprietors to the area is misleading, for 78 per cent. of them possess less than 1 acre, of the average value of £3 18*s.* per acre. The great bulk of the land is held by sixteen proprietors, each with not less than 5,000 acres. The lord lieutenant of the county, Mr. C. R. M. Talbot, M. P., is the largest landed proprietor, his possessions measuring nearly 37,000 acres. Then follow, with gradually diminishing estates, the Earl of Dunraven, the Marquis of Bute, Lord Windsor, the Earl of Jersey, and others.

A standard valuation for the county, for the purpose of the county rates, amounts to £2,584,494. This valuation is made by a rating authority, or professional valuer, under the supervision of the county magistrates. The system observed is, actual value less 7½ per cent. on houses, less 2½ per cent. on land, and less estimated depreciation upon manufactories. Mines are valued for the purposes of taxation by deducting the cost of production from the price realized for the mineral; the rate is levied on the difference.

The county taxation embraces the county rate, the police rate, and the county roads rate. These rates are levied quarterly according to the estimate of expenditure, and vary, or are liable to vary, with each sessions or quarter. For example, the county rate, ordered at the midsummer sessions, was ½*d.* in the pound, and the police rate ¾*d.* in the pound. The rates ordered at the other sessions were as follows:

Michaelmas: County rate, ½*d.* in the pound; police rate, ¼*d.* in the pound.

Epiphany: County rate, ¼*d.* in the pound; police rate, ¾*d.* in the pound.

Easter: County rate, ½*d.* in the pound; police rate, ¾*d.* in the pound.

The county roads rate, ordered at the Easter sessions of 1886, for the year, was $\frac{1}{16}$*d.* (one-sixteenth of a penny) in the pound. The total rates for the four quarters on account of the county rate was £18,845 4*s.* 11*d.* The police rate for the same twelve months amounted to £1,326 2*s.* 3*d.* The police rate is supplemented by the General Government by payments amounting to half of the expenses of pay and clothing of the county police. There are other allowances made from the national exchequer on account of the police; and attention is directed to the Appendix for complete particulars of receipts and expenditure under this head. The county roads rate, £224 6*s.* 11*d.*, is supplemented by the treasury to the extent of £642 13*s.* 6*d.* The county is also reimbursed by the treasury for expenses in conveying prisoners to goal, the prosecution of felons, on account of lunatic asylums, etc. The fees paid to the clerk of the magistrates' court amounted to about £2,000 a year, and other receipts go to increase the income for county purposes.

Complete particulars as to receipts and expenditure connected with the county will be found in Appendix A. The details are so full that elaborate explanations are unnecessary and would but tend to confuse.

The county authority or government of Glamorganshire has contracted a considerable debt by borrowing at rates ranging from 3½ to 4¼

per cent. The total indebtedness at Michaelmas of last year amounted to £135,665 9*s*.

The Cardiff poor law union is not coterminous with the borough of Cardiff; it even extends beyond the county border of Glamorgan into the adjoining county of Monmouth. It consists of 45 parishes; and the affairs of the union are controlled by the board of guardians, consisting of 39 *ex officio* and 62 elected members.

The Cardiff union contained a population of nearly 110,000 in 1881, and the ratable value was £819,845. The contributions of the various parishes toward the maintenance of the poor and union expenses during the half year ended October 1, 1886, was £20,403 11*s*.-4*d*., being a little less than 6*d*. in the pound on the ratable valuation for the half year. To this must be added repayment from Her Majesty's treasury for the maintenance of lunatics, £2,126 4*s*., together with other items and repayments amounting to £1,576 18*s*. 2*d*., making the total receipts for the year £24,106 13*s*. 6*d*.

The expenditure for maintenance of indoor and outdoor paupers and the education of pauper children during the same half year amounted to £8,809 5*s*. 4*d*.; maintenance of lunatics, £2,843 14*s*. 5*d*.; loans repaid and interest on loans, £1,858 15*s*. 9*d*.; salaries, rations, and superannuations to officers, £2,204 9*s*.; general expenses, such as rates and taxes, printing, furniture, repairs, stationery, medicine, prosecution expenses, etc., £2,058 5*s*. 10*d*.; assessment committee expenses, £1,473 8*d*.; vaccination fees, £305 17*s*. 9*d*., and registration fees, £224 18*s*. 6*d*. If we add to these some election and traveling expenses, and other minor charges, we reach a total of £24,106 13*s*. 6*d*., agreeing with the item of receipts. The receipts and expenditure for the half year in further details are here inserted:

Expenditure.

	£ s. d.	£. ds.
In maintenance		4,301 16 10
Out relief	8,351 4 11	
Non-resident poor relief	215 6 0	
Education of outdoor pauper children	179 0 5	
Maintenance at institutions	63 14 0	
		8,609 5 4
Maintenance and removal of lunatics		2,843 15 7
Installments of loans repaid	729 12 4	
Interest on loans	1,129 3 5	
		1,858 15 9
Salaries of officers	1,782 15 6	
Rations of officers	290 16 10	
Superannuations	130 16 8	
		2,204 9 0
Rates, taxes, gas, and water	83 15 2	
General charges, printing, etc	331 0 1	
Furniture account:		
Work-house	268 0 11	
Schools	79 17 2	
Repairs account:		
Work-house	310 18 6	
Schools	590 3 10	
Stationery account:		
Work-house	39 2 4	
Schools	27 7 6	
Medicines account, work-house	46 0 4	
Surgery account, work-house	5 16 6	
Dispensary account	138 5 7	
Prosecution expenses	26 11 6	
Removal expenses	88 18 5	

	£ s. d.	£ s. d.
Subscriptions to institutions	20 0 0	
Candidates' traveling expenses	2 8 0	
		2,058 5 10
Vaccination fees		305 17 9
Registration fees		224 18 6
Assessment committee expenses		1,473 0 8
Election of guardians expenses		26 8 3
		24,106 13 6

Receipts and credits half year ended October 1, 1886.

	£ s. d.	£ s. d.
Repayment to Her Majesty's treasury: Grant in respect to maintenance of lunatics		2,126 4 0
Work-house:		
Bakery account (profit)	20 3 3	
Land account (profit)	27 5 4	
Stone account (profit)	1 2 4	
Oakum account (profit)	3 14 10	
Fire-wood account (profit)	36 1 3	
		88 7 0
Schools, land account (profit)	28 12 10	
Schools, pig account (profit)	22 13 6	
		51 6 4
Repayments on account of maintenance of—		
Indoor paupers	156 4 2	
Outdoor paupers	677 19 8	
Lunatics	583 15 6	
		1,417 19 4
Sundry receipts		19 5 6
Balance apportioned among the parishes at 5.9729*d.* in the pound on the ratable value, as per valuation lists in force, particulars of which may be seen in the tabular statement at the end		20,403 11 4
		24,106 13 6

From the above statement it will appear that the total expenditure of the union for all purposes, excepting county rates and some special charges of small amount, is met by a rate of a little less than 6*d.* in the pound for the half year.

It has already been stated that the money required by the county authority and by the poor law union, or board of guardians, is levied and collected by the overseers; and for the better understanding of this feature in local taxation, the following account, appertaining to the parish of St. Mary, in which this consulate is situated, is here inserted:

PARISH OF ST. MARY.

The overseers in account with the parish.

RECEIPTS.	£ s. d.	EXPENDITURES.	£ c. d.
Balance in hand at commencement of half year		Contributions paid to—	
Received from the poor rate		Treasurer of board of guardians	
Government grant in lieu of rates		Borough of Cardiff (borough rate)	
		Treasurer school board	
		Expenses of parliamentary registration	
		Costs of jury list	
		Overseers' books and stationery	
		Postage and receipt stamps	
		Magistrates' clerk's fees	
		Rent of overseers' offices	
		Rates, cleaning, fires, etc., at same	
		Miscellaneous expenses	
		Salary of vestry clerk	
		Balance in hand at end of half-year	

The guardians in account with the parish.

RECEIPTS	£	s.	d.	EXPENDITURES.	£	s.	d.
Balance in hand at commencement of half year	1,758	1	6	Common charges apportioned according to ratable value	6,881	5	1
Received from overseers under contribution order	6,909	8	10	County rates	1,149	4	8
Income from parish property	110	16	0	Education of non-pauper children (fees paid)	1	18	0
Disallowances against overseers	0	4	4	Election of guardians expenses	48	8	10
Received from parliamentary grant in respect of expenses of registration of voters	0	6	8	Salary of collector	157	10	8
Surcharge on collector by auditor, viz:				R. W. Williams, legal expenses	1	7	8
Ocean and General Guaranty Company, amount of guaranty	1,000	0	0	Balance in hand at end of half year	1,816	13	10
J. D. Wride, collector, balance of surcharge	277	11	2				
	10,056	8	6		10,056	8	6

The Cardiff corporation constitutes the urban sanitary authority, and the area of the sanitary district is identical with that of the borough of Cardiff. The expenses of the sanitary authority are borne by a rate levied by the authority and known as the general district rate. The entire expenditure under this head for the six months ending last September amounted to £25,657 3*s.* 7*d.* This total is made up of scavenging and water, street pavements and repairs, public improvements, maintenance of highways, crossings and sewers, water for flushing purposes, public lighting, interest on loans, and a proportion of the salaries of the borough officers, together with printing and other incidental expenses. Against the total stated there is a credit item on account of rents amounting to £1,507 14*s.* 4*d.*, leaving a balance of £24,149 9*s.* 3*d.* This expenditure is covered by a district rate of 1*s.* in the pound on the net ratable value, established at £520,926 by the urban sanitary authority, and amounting to £26,046 6*s.* From this income the amount of £1,896 16*s.* 9*d.* is deducted on account of reductions and irrecoverable rates, leaving a balance of £24,149 9*s.* 3*d.* agreeing with the amount required under this head. For the better understanding of the expenses of the urban authority and the district rate by which it is covered, the following estimate of moneys required to cover the expenditure to September 30, 1886, is here inserted:

Cardiff Urban Authority.—Estimate of money required for the purposes in respect of which a general district rate is to be made to cover the expenditure from March 31 to September 30, 1886, being a period of six months.

SURVEYOR'S DEPARTMENT.

	£	s.	d.	£	s.	d.
Scavenging and watering: Including extra watering expenses (£4,300) and new traction-engine (£600)				4,900	0	0
Street pavement repairs:						
Labor	200	0	0			
Materials	100	0	0			
				300	0	0
Private streets: Public work in connection with private improvements				400	0	0
Public improvements:						
Newport road (Rumney Moors) fencing, and additional sum required for raising road and building bridge	500	0	0			
Pitching portions of carriage-way, Bute street, pier head, and approaches to bridges	750	0	0			
				1,250	0	0
Footpath improvements and repairs: St. Andrew's lane, Crwys road, and Newport road, from Roath court to Broadway, and repairs to various paths				450	0	0

	£	s.	d.	£	s.	d.
Highway maintenance:						
Stone and hauling	1,600	0	0			
Labor and tools	1,000	0	0			
Gravel for hoggin	350	0	0			
Repairs to steam-rollers	50	0	0			
				3,000	0	0
Crossings: Street crossings, St. Peter street and Richmond road				110	0	0
Sewers:						
Flushing (water)	150	0	0			
Maintenance labor	450	0	0			
Repairs to outfalls, flushing-tanks, valves, and implements	100	0	0			
				700	0	0
Water:						
For streets and courts (flushing)	50	0	0			
For urinals	50	0	0			
Hydrant and meter repairs, and new stand posts	20	0	0			
				120	0	0
Urinals: Repairs and maintenance, and new urinals, Grangetown and Picton Place				250	0	0
Gas:						
Lighting and public lamps	2,250	0	0			
Removals and special repairs	50	0	0			
New street lamps, pillars and holders	200	0	0			
				2,500	0	0
Sundry works as may be ordered				500	0	0
Total surveyor's department				14,480	0	0

INTEREST ON LOANS AND REPAYMENT OF PRINCIPAL.

Extended loan No. 1: Atlas Assurance Company, due May 1.	1,158	3	8			
Extended loan No. 2: Atlas Assurance Company, due May 1.	538	12	4			
Sewerage loan No. 1: Public works, due July 27	1,087	10	0			
Roath loan No. 2:						
Public works, due April 1	40	0	0			
Commercial Union Assurance Company, due May 23	1,210	6	2			
Mutual Life Assurance Company, due May 18	1,261	6	0			
Royal Liver Friendly Society, due May 1	630	13	1			
Abercarne trust fund, due August 31	400	0	0			
E. V. Williams, loan, due September 6	34	0	0			
M. M. Jenkins, loan, due July 1	60	0	0			
Interest on £48,000 corporation stock at 3½ per cent	840	0	0			
Interest on £18,586, loan, London and Westminster Bank at 4 per cent	371	14	4			
				7,632	5	7
Lord Tredegar, Roath sewer, due June 30	33	6	8			
C. H. Williams, esq., due June 30	16	13	4			
				50	0	0

SALARIES.

Town clerk and assistants	378	10	0			
Borough treasurer and assistant	200	0	0			
Borough engineer and assistant	470	0	0			
Inspectors of works	206	0	0			
Inspectors of sewers	117	0	0			
Officer of health (moiety)	82	10	0			
Inspector of nuisances (moiety)	34	16	0			
Assistant inspector of nuisances	136	10	0			
Inspector of gas	20	0	0			
Collectors	380	0	0			
Auditors	19	12	0			
				2,044	18	0

MISCELLANEOUS.

	£	s.	d.	£	s.	d.
Printing, advertising, stationery, taxes, incidentals, and office expenses	950	0	0			
Contingencies	500	0	0			
				1,450	0	0
				25,657	3	7
Less house and ground rents, due in half-year				1,507	14	4
				24,149	9	3
A rate of 1s. in the pound will produce on the net ratable value of £520,926	26,046	6	0			
Less vacancies and irrecoverables and reductions on appeals	1,896	16	9			
	24,149	9	3			

F. R. GREENHILL,
Borough Treasurer.

Examined and approved by the finance committee April 28, 1886.

DANIEL JONES,
In the chair.

As hereinbefore set forth, the expenses of a corporate borough are borne by an income derived from corporation property, town dues, and other sources, supplemented to the necessary extent by a borough rate. I am enabled to supply an estimate of the expenditure of the borough of Cardiff for the year ending March 31, 1888. This shows a total income from harbor dues, magistrates' clerk's fees, allowances for police, etc., rents, market and slaughtering tolls, and other sources, amounting to £13,373 8*s.* 6*d.*, but the estimated expenditure is in excess of the income by £15,837 8*s.* 8*d.*

The first item in the estimate of expenditure is the superannuation fund, amounting to £1,121 11*s.* 10*d.*; then come the expenses attending the collection of harbor dues, on account of public buildings, the police, the fire brigade, the salaries of municipal officers, interest on loans, weighing-machines, weights and measures, the free library, markets, slaughter-houses, baths, and miscellaneous expenses. The difference between the receipts and expenditures is £15,837 8*s.* 8*d.*; and that amount is covered by what is known as the borough rate. It is levied by the corporation upon the basis of the union valuation, with certain modifications, and collected by corporation officers. The rate required to cover the estimated expenditure given must be 7.315*d.*

It is well to explain that the town dues on shipping are levied and collected upon the following scale: Vessels under 60 tons register pay 2*s.* 6*d.* per vessel; vessels above 60 tons register pay 5*s.* per vessel.

All the expenses attending the maintenance of the public library are defrayed out of the borough rate, and 1*d.* in the pound is added to that rate for that purpose.

The maintenance of the public schools is provided for by a rate of 3½*d.* in the pound, and is collected by the parish overseers in conjunction with the poor-rate.

A table giving an estimate of the expenditure with the certain receipts and the necessary amount for the year ending March 31, 1888, is here inserted.

Estimated budget for the year ending March 31, 1888, for the borough of Cardiff.

RECEIPTS.

	£	s.	d.
Harbor dues	1,950	0	0
Magistrates' clerks' fees	1,000	0	0
Government allowance for police	4,700	0	0
Government allowance for conveyance of prisoners	70	0	0
Police rents, inquests, and services	150	0	0
Weighing machines	200	0	0
Ground rents:			
S. Andrews, St. Mary street (£550 0 0)			
Royal Hotel (£41 10 0)			
Executors of W. Mitchelmore, St. Mary street (£50 0 0)			
Mrs. Wallace, St. Mary street (£17 10 0)			
George Tyson (£11 0 0)			
*S. Andrews, Town-hall (£7 10 0)			
Mrs. Lloyd (£1 13 0)			
L. Williams (£5 0 0)			
C. H. Williams (£3 4 6)			
Stuart Hall rent (£40 0 0)			
I. W. Dowson, Working street (£2 1 0)			
G. A. Stone (£1 0 0)			
Postmaster-general (£1 0 0)			
Infirmary committee, Longcross Barracks (£15 0 0)			
	746	8	6
Market and slaughter house tolls	3,700	0	0
Dividends (post-office site)	24	0	0
Dividends (old slaughter-house)	28	0	0
Weights and measures	100	0	0
Marine-store and other licenses	90	0	0
Town-hall, repayment of gas	45	0	0
Baths	420	0	0
Fire brigade, expenses at fires repaid	50	0	0
Repayment of salary of veterinary surgeon	100	0	0
Balance	15,837	8	8
	29,210	17	2

PAYMENTS.

	£	s.	d.
Superannuation fund, balance to March 31, 1887	1,121	11	10

Harbor dues.

Collector's salary	100	0	0
Water-bailiff's salary	30	0	0
Water-bailiff's clothing	10	0	0
Income tax	65	0	0
Repairs of buoys, boat hire, etc.	25	0	0
Raising wrecks and contingencies	600	0	0
	830	0	0

Town-hall.

Repairs of buildings and fittings	200	0	0
Gas, water, coal, coke, stores, etc.	250	0	0
Insurance	22	10	6
Hall-keeper's salary	78	0	0
Rates and taxes	130	0	0
	680	10	6

Police.

Salaries and wages	9,350	0	0
Clothing and boots	760	0	0
Coal, coke, wood, and stores	180	0	0
Gas, water rates, and taxes	250	0	0
Rent of stations	96	0	0
Repairs and alterations of stations	200	0	0
Printing and advertising	130	0	0

PAYMENTS—continued.

Police—Continued.

	£	s.	d.
Surgeon's attendance on police calls	70	0	0
Surgeon's attendance on police force	30	0	0
Allowance for horse keep to head constable	52	0	0
Sundry disbursements per head constable	120	0	0
Horses for prison van	80	0	0
Salary, female searcher	4	0	0
Coffee, sugar, etc	45	0	0
Prisoners' food	75	0	0
Expenses last election	370	0	0
	11,812	0	0

Fire brigade.

Wages	250	0	0
Clothing	60	0	0
Gas, water, coal, and stores	40	0	0
Horse hire	50	0	0
Rent	25	0	0
Repairs and implements	100	0	0
New reels, escapes, and fittings	200	0	0
	725	0	0

Salaries.

Mayor's and sundry allowances	800	0	0
Stipendiary magistrate	750	0	0
Magistrates' clerks	600	0	0
Town clerk and assistants	770	0	0
Borough treasurer and assistants	252	0	0
Architect and assistant	150	0	0
Sergeants-at-mace and town-crier	45	0	0
Auditor	25	0	0
Contingencies	900	0	0
	4,292	0	0

Installment and interest on loans.

London Life	1,040	16	4
Sinking fund re-stock	345	10	0
Interest, corporation stock	1,024	16	0
General Life	200	0	0
Miss Hair	20	0	0
Jennison and another	80	0	0
Superannuation loan	178	2	4
Trustees infirmary	120	0	0
	3,009	4	8

Weighing-machines.

Clerk's salary, Queen street and Canton	117	0	0
Rent of docks machine	52	0	0
Repairs, rates, and sundries	40	0	0
	209	0	0

Weights and measures.

Salaries and expenses	110	0	0
Gas, tools, repairs, lead, etc	20	0	0
	130	0	0

Free library.

Treasurer to committee	2,489	4	6
Less interest	422	8	2
	2,066	16	4

PAYMENTS—continued.

Market and slaughter houses.

	£	s.	d.
Town tolls	5	9	10
Repairs	200	0	0
Wages	565	0	0
Rates and taxes	450	0	0
Gas, water, coal, and coke	300	0	0
Insurance	11	0	0
Sundries	30	0	0
Alterations, Roath & Canton	250	0	0
	1,811	9	10

Baths.

Wages:			
Manager and wife	88	4	0
Assistant, Turkish baths	65	0	0
Washing, and assistance	70	0	0
Cleaning out baths	25	0	0
Coal and wood	60	0	0
Gas, water, rent, rates, etc	90	0	0

PAYMENTS—continued.

Baths—Continued.

	£	s.	d.
Repairs and sundries	50	0	0
Stores	50	0	0
	498	4	0

Miscellaneous.

Income tax and ground rents	20	0	0
Rent of judges' lodgings	250	0	0
Preparing burgess list and election expenses.	390	0	0
General printing, advertising, and stationery.	600	0	0
Clothing sergeants-at-mace and town-crier.	25	0	0
Veterinary surgeon inspecting cattle.	100	0	0
Compensation for cattle destroyed.	30	0	0
Adulteration of food act expenses	110	0	0
Offices and contingencies	500	0	0
	2,025	0	0
	29,210	17	2

THE DISTRIBUTION OF TAXATION.

The burdens of local taxation are inequably distributed in favor of the rich land-owners and against the work-people and lower middle class of the country. It was the old-time principle and practice of this Kingdom to make real estate bear the burden of local taxation. Up to the time of Queen Elizabeth the occupiers were generally the owners of the soil; and even where, by exception, this was not the case there is good reason to believe that the owner paid the tenant's rates. At all events, the only tax levied upon the occupier of land and houses at the time mentioned was that for the relief of the poor.

Subsequently, however, the incidence of local taxation levied upon householders and occupiers of land has increased by the addition of the cost of repairing roads, maintaining bridges, taking care of criminals, keeping the police, etc.; and the poor-rate, which formerly constituted the only local tax, now amounts to only a third or fourth of the amount of taxation levied upon householders and occupiers. In a demand note for poor-rate now before me a rate of 1*s.* 2*d.* in the pound sterling is apportioned as follows: Poor-rate, 6*d.*; county rate, 1*d.*; borough rate, 3½*d.*; and school-board rate, 3½*d.* = 1*s.* 2*d.*, showing that poor-rate is in part but a name, and covers several rates.

It is beyond the present purpose to show how the great land-holders came by their estates, and how the people were, to a very large extent, deprived of their holdings by acts of Parliament; but it is worth while showing the extent of immunity enjoyed by the owners of the land and the benefits which accrued to their estates through the improvements made and borne entirely by the occupiers or tenants. I will confine myself to a single illustration. The founder of the house of Bedford was a favorite of Henry VIII, and the King gave him the home farm of Westminster Abbey, which subsequently developed into the Convent Garden estate, measuring about 3,000 acres. It was let in the life-time of the Earl of Bedford for a term of thirty years, at a rental of £40 a year, and the estate has been improved by occupiers and without the expenditure of a single shilling by the owners, until now it yields an annual rental of not less than £200,000. The Duke of Bedford pays an income tax, but he contributed—contributes—nothing towards the improvements upon his estate which have made

him one of the richest men in England. There is one other point worthy of a sentence, which tends to show that the land-owners do not bear a fair proportion of the taxation of the country. It has already been pointed out that ordinary houses are valued for the purposes of taxation at a full or fair rental. Not so, however, with the castles and halls of England and Wales, surrounded as they are by their splendid parks of meadow and forests. These grand residences of affluence are rated at a mere tithe of their cost. It were, perhaps, difficult to ascertain their present value as tenancies, for the men who are rich enough to afford to live in them are few indeed; but it should be remembered in the valuation of these palaces that the heads of the great families who keep them would no more live in the house of the city merchant than the city merchant could afford to occupy one of the ancient castles or baronial halls of the favorites of by-gone reigns.

The man who with his wife and family occupies one room, for which he pays, say, 4*s*. a week out of a total earnings of 25*s*. a week, has to pay rates and taxes upon the full rental of the building in which he occupies a humble room. But the dukes and marquises and earls, who have come by their estates sometimes honorably and sometimes otherwise, pay rates and taxes on not one-twentieth part of the value of their homes of wealth and splendor.

Manufactories are also undervalued for the purposes of taxation. The valuers endeavor to arrive at what the premises would let for similar purposes, and perhaps it is safe to say that the result of this hypothetical estimate is much in favor of the manufacturer in possession. But there is something to be said in favor of leniency towards the capitalist of enterprise who embarks in manufacture, gives employment to the people, and improves the general condition of the community.

The work-people as a class are free from the operations of the income tax, because where the income does not exceed £150 a year the person receiving that income is exempt from the tax. But there is a very large number of people in enjoyment of incomes of from £150 to £700 a year upon whom this tax falls heavily; and a good working mechanic freed from the operations of the income tax on the one hand, and from the exacting and somewhat expensive customs of every strata of society on the other, is in a better position than many who receive a better income than he. The rich and the middle classes contribute proportionately more than the working class towards local taxation, stamp duties, income tax, and the taxes on wine; but less on spirits, tobacco, malt, and tea. It is estimated that of imperial taxation the rich class pays 21.5 per cent., the middle class 40.9 per cent., and the working class 37.6 per cent. Whereas the workingmen of England pay only 5.81 per cent. of their income, the representatives of the same class in Scotland pay 9.23 per cent., and in Ireland 11.10 per cent.

If space would permit, and an elaborate paper were desirable, it could be satisfactorily established that the incidence of local taxation falls unfairly and unjustly upon the occupier to the advantage of the owner of lands and tenements; that the system of valuation of county mansions by county magistrates—who, by the way, inhabit them—is insufficient and unfair; and that the owners of ground rents in towns should pay a proportion of the costs of improvements, whereby their own property is greatly enhanced in value. And the writer would be glad to see some sliding scale adopted to govern the principle of taxation, whereby people should be made to pay an increasing proportion of taxation as their incomes mount upwards.

IMPERIAL TAXATION.

What may be designated as the national sections of this inquiry do not, perhaps, come strictly within the scope of consuls at outlying ports. Therefore they will only be dealt with briefly and for the sake of completeness in this report.

DUTIES ON IMPORTS.

The gross revenue of the United Kingdom for the year ended March 31, 1886, amounted to £92,135,296, and the net revenue, after deducting repayments, allowances, discounts, etc., amounted to £89,683,783.

The revenue derived from duties on imports, or the customs tariff, amounted during the last revenue year to £19,722,302. The list of articles subject to import duty has been greatly reduced, first by Sir Robert Peel, and subsequently by Mr. Gladstone, until now it only embraces some score of articles. Tobacco makes the most substantial contribution towards the customs revenue with £9,298,989; wine and spirits come next with £5,348,325; while the duty on tea contributes £4,187,254 to the exchequer.

The dutiable articles imported, with their contributions towards the revenue, during the year 1885–'86, are as follows:

Article.	Amount.	Article.	Amount.
Beer	£8,911	Raisins	£146,630
Chicory	65,051	Rum	2,029,391
Cocoa	70,472	Brandy	1,356,673
Coffee	203,355	Geneva	124,342
Currants	307,579	Other sorts	643,465
Figs	29,047	Tea	4,187,254
Plate	6,827	Tobacco, etc	9,298,989
Plums	6,737	Wine	1,194,674
Prunes	7,796	All other	2,247

If we take the population of the United Kingdom to be 37,000,000 the customs revenue amounts to about 10*s.* 10*d.* per head on the population.

Professor Leone Levi estimates that one-third of the taxes are paid by the working class and two-thirds by the middle and upper classes. Customs duties fall most heavily upon the working classes, their contribution, by the consumption of spirits, tobacco, and tea, amounting to about one-half of the total amount. The amounts contributed by the different classes towards the customs of the country have been estimated by Mr. Mulhall in a table which is here reproduced:

Imperial taxation according to class.

UNITED KINGDOM.

	Rich.	Middle.	Working.	Total.
Excise	£1,620,000	£9,310,000	£16,244,000	£27,174,000
Customs	1,201,000	6,808,000	11,287,000	19,296,000
Stamps	6,490,000	5,136,000	730,000	12,356,000
Taxes	7,010,000	5,025,000	720,000	12,755,000
Post-office	860,000	6,380,000	1,060,000	8,300,000
Total	17,181,000	32,659,000	30,041,000	79,881,000
Ratio	21.5	40.9	37.6	100.0

Imperial taxation according to class—Continued.

INCIDENCE ON THE RICH.

	No.	Taxes.	Income.	Ratio taxes.	
				Per head.	On income.
				£ s. d.	
England	966,000	£14,190,000	£286,000,000	14 14 0	£4.96
Scotland	121,000	1,816,000	30,000,000	15 0 2	6.05
Ireland	72,000	1,175,000	14,000,000	16 6 6	8.40
United Kingdom	1,159,000	17,181,000	330,000,000	14 16 2	5.16

INCIDENCE ON MIDDLE CLASS.

				£. s. d.	
England	7,654,000	£25,324,000	£381,000,000	3 6 2	£6.70
Scotland	967,000	3,930,000	49,000,000	4 1 4	8.02
Ireland	860,000	3,405,000	34,000,000	3 19 2	10.02
United Kingdom	9,481,000	32,659,000	464,000,000	3 8 10	7.03

INCIDENCE ON WORKING CLASS.

				£. s. d.	
England	17,490,000	£21,802,000	£374,000,000	1 4 10	£5.81
Scotland	2,646,000	4,241,000	46,000,000	1 12 1	9.23
Ireland	4,228,000	3,995,000	36,000,000	0 18 9	11.10
United Kingdom	24,364,000	30,041,000	456,000,000	1 4 7	6.63

The numbers of each class are determined according to the results of legacy returns for 1877 in the three kingdoms. The lightness of taxation on the working class in England is very remarkable.

It will be observed that the total customs revenue given in the foregoing table is somewhat less than that for the year 1886 dealt with in this report; but the difference is comparatively insignificant, and Mr. Mulhall's tables will be found interesting and valuable.

The collection of duties on imports is intrusted to the customs department, over which Sir Charles Du Cane, K. C. M. G., presides. The establishment expenses are given at £67,565, and the estimate for collecting the tariff throughout the United Kingdom is given at £955,452. The customs tariff for the United Kingdom is as follows:

The customs tariff:

Articles.	Amount.	Articles.	Amount.
	£ s. d.		£ s. d.
Beer, mum, and spruce, the original specific gravity not exceeding 1.215 degrees, per barrel	1 6 0	Chicory: Raw or kiln-dried.....cwt..	0 13 3
		Roasted or ground.....pound..	0 0 2
Beer exceeding 1.215 degrees, per barrel	1 10 6	Chicory and coffee mixed.....do....	0 0 2
		Chloral hydrate .....do....	0 1 3
Beer (other), the worts of which were before fermentation of a specific gravity of 1.057 degrees	0 6 6	Chloroform.....do....	0 3 0
		Cocoa .....do....	0 0 1
		Cocoa husks and shells.....cwt..	0 2 0
And so in proportion for any difference in gravity.		Cocoa or chocolate ground, prepared, or in any manufactured..pounds..	0 0 2
Cards (playing).....per dozen packs..	0 3 9	Coffee (raw) .....cwt..	0 14 0

The customs tariff—Continued.

Articles.	Amount.			Articles.	Amount.		
	£	s.	d.		£	s.	d.
Coffee (kiln-dried, roasted, or ground), pound	0	0	2	Tobacco—Continued.			
Collodion.....gallon..	1	4	0	Containing less than 10 per cent. of moisture.....pound..	0	3	10
Ether, sulphuric .....do....	1	5	0	Cigars.....do....	0	5	6
Ethyl, iodide of .....do....	0	13	0	Cavendish or Negrohead .....do....	0	4	10
Fruit (almonds and dates free) dried, cwt	0	7	0	Cavendish manufactured in bond, pound	0	4	4
Naphtha or methylic alcohol (puri.), gallon	0	10	4	Snuff.....pound..	0	4	1
Plate (gold).....ounce..	0	17	0	Snuff not more than 13 pounds (in 100 pounds) moisture.....pound..	0	4	10
Plate (silver).....do....	0	1	6	Tobacco, other manufactured, pound	0	4	4
Soap, transparent, in the manufacture of which spirit has been used, pound	0	0	3	Varnish (containing spirit) for rates of duty (*see Spirits*).			
Spirits:				Wine:			
Brandy, Geneva rum, and unenumerated .....gallon..	0	10	4	Not exceeding 30 degrees proof spirit, gallon	0	1	0
Perfumed spirits and cologne water.....gallon..	0	16	6	Exceeding 30 degrees, but not exceeding 42 degrees....gallon..	0	2	6
Sweetened, unenumerated in bottle, not tested for ascertaining the strength .....gallon..	0	14	0	For each additional degree of strength beyond 42 degrees, gallon	0	0	3
Tea.....pound..	0	0	6	Warehouse goods, except tobacco, 5*s.* per cent. additional. Tobacco, 2*s.* 6*d.* per cent. additional.			
Tobacco:							
Unmanufactured .....pound..	0	3	6				

Internal Revenue.

Nearly one-third of the revenue of the country is derived from excise; and out of a total of £25,441,922 collected under this head, £21,544,274 were derived from the duty upon beer and spirits. Thus it will be seen that among the advantages of total abstainers is immunity to a considerable extent from contribution towards the expenditure of the country.

Internal revenue receipts, 1886.

Articles.	Amount.	Articles.	Amount.
Beer	£8,403,580	Licenses:	
Spirits	13,140,694	Plate dealers	48,263
Railways	337,499	Gun	85,942
Chicory	2,536	Hawkers	26,595
Coffee-labels	3,989	Medicine vendors	5,064
Licenses:		Pawnbrokers	35,385
Auctioneers	80,169	Refreshment house	6,835
Beer and cider	186,547	Distillers and rectifiers	4,166
Brewers	36,140	Spirit dealers	119,669
Dog	343,133	Publicans and grocers	1,474,381
Armorial	76,234	Tobacco	85,301
Carriages	540,508	Wine	67,034
Male servants	137,294	Other	9,056
Game	£184,958		

It is estimated that the working class contributes 13*s.* 5*d.* each individual towards the excise, the middle class 19*s.* 6*d.*, and what is designated as the upper class, £1 8*s.* 2*d.* towards the same revenue. The excise of the country is controlled and collected by the department of inland revenue, under the chairmanship of Sir Algernon West, K. C. B.; and the cost of collecting the duties known under the designation as excise amounts to £1,796,211.

The income tax originally came into existence during the French war of 1512, and was increased under Mr. Pitt in 1798 "as an aid for the prosecution of the war" against France. But the income tax as at present levied was first established under Sir Robert Peel, when a bill providing a rate of 7*d.* in the pound was passed on the 22d of June, 1842. It provided a revenue of £5,350,000, and the repeal of duties on imports which amounted to more than double that amount.

The tax for the current year is 8*d.* in the pound. Persons enjoying an income of £150 a year are exempt from the operations of the income tax. If their income is under £400 a year they are entitled to immunity upon £120 thereof; that is to say, when a person's income is £400 a year he is taxed 8*d.* in the pound upon £280. The present is the highest rate during many years; the highest point touched was during the Crimean war, when the rate reached 1*s.* 4*d.* in the pound; and the lowest was that of 1874–'76, under Disraeli's administration, with Sir Stafford Northcote as his chancellor of the exchequer, when it reached 2*d.* in the pound.

The following table will show the rise and fall in this rate since 1842:

Income-tax rates from its first imposition in 1842 *to the present time.*

From and to April 5—	Income free under—	On £100 to £150.	On £100 and upwards.	Chancellor of the exchequer.	Premier.
		Rate in the pound.			
1842 to 1846 ..	£150	—	7*d.*	Henry Goulburn.....	Sir Robert Peel.
1846 to 1852 ..	150	—	7*d.*	Sir Charles Wood.....	Lord John Russell.
1852 to 1853 ..	150	—	7*d.*	Benjamin Disraeli	Earl of Derby.
1853 to 1854 ..	150	5*d.*	7*d.*	William E. Gladstone	Earl of Aberdeen.
1854 to 1855 ..	150	10*d.*	1*s.* 2*d.*	.....do	Do.
1855 to 1857 ..	150	11½*d.*	1*s.* 4*d.*	Sir G. Cornewall Lewis ...	Viscount Palmerston.
1857 to 1858 ..	150	5*d.*	7*d.*	.....do	Do.
1858 to 1859 ..	150	5*d.*	5*d.*	.....do	Do.
1859 to 1860 ..	150	6½*d.*	9*d.*	Benjamin Disraeli	Earl of Derby.
1860 to 1861 ..	150	7*d.*	10*d.*	William E. Gladstone.....	Viscount Palmerston.
1861 to 1863 ..	*100	6*d.*	9*d.*	.....do	Do.
1863 to 1864 ..	100	7*d.*		.....do	Do.
1864 to 1865 ..	100	6*d.*		.....do	Do.
1865 to 1866 ..	100	4*d.*		.....do	Do.
1866 to 1867 ..	100	4*d.*		.....do	Earl Russell.
1867 to 1868 ..	100	5*d.*		Benjamin Disraeli	Earl of Derby.
1868 to 1869 ..	100	6*d.*		George Ward Hunt.....	Benjamin Disraeli.
1869 to 1870 ..	100	5*d.*		Robert Lowe	William E. Gladstone.
1870 to 1871 ..	100	4*d.*		.....do	Do.
1871 to 1872 ..	100	6*d.*		.....do	Do.
1872 to 1873 ..	100	4*d.*		.....do	Do.
1873 to 1874 ..	100	3*d.*		.....do	Do.
1874 to 1876 ..	100	2*d.*		Sir Stafford Northcote	Benjamin Disraeli.
1876 to 1878 ..	†150	3*d.*		.....do	Earl of Beaconsfield.
1878 to 1880 ..	150	5*d.*		.....do	Do.
1880 to 1881 ..	150	6*d.*		William E. Gladstone.....	William E. Gladstone.
1881 to 1882 ..	150	5*d.*		.....do	Do.
1882 to 1883 ..	150	6*d.*		.....do	Do.
1883 to 1884 ..	150	5*d.*		Hugh C. E. Childers	Do.
1884 to 1885 ..	150	6*d.*		.....do	Do.
1885 to 1886 ..	150	8*d.*		Sir M. Hicks-Beach.....	Marquis of Salisbury.

* Differential rate upon scale of incomes abolished. Incomes under £100 are exempt; and incomes of £100 and under £199 per annum have an abatement from the assessment of £60; thus £100 pays on £40; £160 upon £100; £199 upon £139; but £200 pays on £200.

† Under £150 exempt; if under £400 the tax is not chargeable upon the first £120.

The following table shows the resources of revenue during the last two fiscal years:

Public net revenue the last two years.

Revenue.	1884–'85.	1885–'86.
Customs	£20, 557, 819	£19, 722, 302
Excise	26, 501, 612	25, 441, 922
Income tax	11, 922, 770	15, 247. 312
Stamps	11, 886, 185	11, 600, 614
House tax	.....	1, 867, 377
Land tax	2, 900, 150	1, 023, 100
Post-office	7, 898, 911	8, 162, 651
Telegraphs	1, 739, 586	1, 745, 056
Crown lands	483, 306	477, 820
Interest on advances and Suez Canal shares	1, 027, 350	1, 376, 080
Miscellaneous	3, 145, 366	3, 019, 453
Totals	88, 063, 055	89, 683, 783

Under the head of property and income tax the amounts stated give the approximate net produce under each schedule for 1885–'86 compared with the preceding year:

	1884–'85.	1885–'86.
A (lands, tennements, etc.)	£4, 023, 512	£5, 101, 442
B (occupation of land, etc.)	312, 639	399, 137
C (annuities, dividends, etc.)	919, 755	1, 322, 274
D (trades, professions, etc.)	5, 966, 997	7, 502, 109
E (public offices, etc.)	699, 867	922, 350
Totals	11, 922, 770	15, 247, 312

It is well to note here that there is, independent of the local rates, a general tax levied upon inhabited houses by the general government. A house occupied as a farm-house, public house, coffee-shop, or warehouse is charged, if of the annual rental of £10 a year, 6*d.* in the pound. All other houses of the value of £10 a year and upwards 9*d.* in the pound.

EVAN R. JONES,
Consul.

UNITED STATES CONSULATE,
Cardiff, July 9, 1887.

APPENDIX A.

COUNTY OF GLAMORGAN. ACCOUNTS FOR THE YEAR ENDING MICHAELMAS, 1886.

County of Glamorgan. Abstract of accounts of Richard Wyndham Williams, esq., treasurer.

[From Michaelmas, 1885, to Michaelmas, 1886.]

DR. CR.

	Amount.				Amount.		
RECEIPTS.				PAYMENTS.			
	£	s.	d.		£	s.	d.
County rates, ordered at—				County bridges	610	1	11
Midsummer sessions, 1885	5,384	7	1	Clerk of peace:			
Michaelmas sessions, 1885	5,384	7	2	Bills	473	6	7
Epiphany sessions, 1886	2,692	3	6	Office expenses	23	13	11
Easter sessions, 1886	5,384	7	2	Coroner's bills	2,994	17	2
Midsummer sessions, 1886, on account	1,602	7	9	Contagious diseases (animals) act (*See* page 2)	1,892	9	3
	20,447	12	8	Corpses found on the sea-shore—expenses of burying	16	5	5
				County rate assessment	0	10	6
County roads:				County roads boards—in aid of tolls	600	0	0
Rate ordered, Easter sessions, 1886	224	6	11	Conveyance of prisoners to jail	207	12	8
Amount received from treasury	642	13	6				
	867	0	5	Prosecution of felons:			
				At assizes	2,290	7	0
Conveyance of prisoners to jail:				At quarter sessions	1,340	2	8
Amount received from treasury	207	12	8	Under summary jurisdiction act	767	18	7
Prosecution of felons:				Under 29 and 30 Vic., cap. 52	12	12	6
Amount received from treasury	3,445	6	4		4,411	1	9
Magistrates' clerks' fees	2,104	18	0				
Fines received from petty sessional clerks	1,587	15	4	Salaries of magistrates' clerks	2,054	7	0
Weights and measures. Fees for stamping	839	5	4	Weights and measures—inspectors' expenses	459	7	1
Lunatic asylum:				Lunatic asylum—maintenance of county pauper lunatics and of buildings. (*See* page 7)	3,773	9	7
Amount received from treasury	243	8	0	Jails—pensions to retired officers	507	3	4
Jails:				Printing, stationery, and advertising	988	13	6
Commutation of Government portion of pensions to two warders of Swansea jail	195	16	8	Reformatory schools	512	6	10
Registration of county voters:				Salaries of county officers	1,571	0	0
Amount received from treasury	375	11	2	Food and drugs act—analysts and expenses	235	8	3
License for traction engine	10	0	0	Explosives act—inspectors' salaries	42	10	0
Food and drugs act, analyst's fees	20	10	4	Law costs, etc	10	13	4
Total receipts for the year	30,294	16	11	Expenses of candidates for county surveyorship	17	6	8
Balance in hands of treasurer per last account	2,129	10	7	Interest, etc., charged by National Provincial Bank	7	10	0
Less transfer from police account. (*See* page 4)	45	1	8	Current expenses of the year	21,479	14	9
	2,084	8	11	Loan account:			
				Principal	3,954	5	2
				Interest	4,475	2	0
					8,429	7	2
				Balance in hands of treasurer to next account	2,470	8	11
Grand total	32,379	5	10	Grand total	32,379	5	10

HENRY DEVER, F. C. A.,
County Auditor.

County of Glamorgan. Abstract of accounts, etc.—Continued.

GLAMORGANSHIRE LUNATIC ASYLUM.

Dr. [From Michaelmas, 1885, to Michaelmas, 1886.] Cr.

	£	s.	d.		£	s.	d.
London Assurance Corporation:				Balance due to treasurer from last account	5,364	3	7
Balance of loan for £50,000	5,000	0	0	Park Gwylt:			
New loan	10,000	0	0	H. Lovatt, balance of contract and extras	11,980	9	5
Police superannuation fund loan	6,000	0	0	J. Paget, for road	379	10	6
Leeds Savings' Bank loan	15,000	0	0	J. Paget, for reservoir, boundary walls, etc	400	0	0
				Clerk of works	327	2	0
				Architect's commission:			
				Giles & Gough	723	6	10
				G. F. Lambert	25	13	1
				Materials and wages	150	0	5
				Land purchases:			
				Lord Dunraven's trustees	1,450	0	0
				Commoners of Cefn Hirgoed	141	16	0
				Manorial rights, Cefn Hirgoed, and costs	145	0	0
				Gas works:			
				C. Claridge, on account of tanks, etc	1,250	0	0
				Cockey & Son for gas apparatus	700	0	0
				New engine and pumps for water supply	742	10	0
				Furnishing and clothing	3,700	0	0
				Singer & Buckley on account of gas fittings	200	0	0
				J. Richards, for additions to medical superintendent's house	625	0	0
				Law costs for new loans	200	10	0
				Balance in hands of treasurer carried to next account	7,404	17	8
Total	36,000	0	0		36,000	0	0

COUNTY ROADS BOARD.

	£	s.	d.		£	s.	d.
Balance in hands of treasurer from last account	683	4	9	Treasurer of county roads board	600	0	0
Rate ordered at Easter sessions, 1886	224	6	11	Balance in hands of county treasurer, carried to next account	307	11	8
Total	907	11	8	Total	907	11	8

CONTAGIOUS DISEASES (ANIMALS) ACT.

	£	s.	d.
Fees to medical inspectors	282	17	4
Fees to police inspectors	35	4	0
Printing, stationery, and advertising	78	12	6
Clerk of the peace bills:			
As clerk to local authority £105 15 6			
As clerk to executive committee 150 17 6			
	256	13	0
Magistrates' clerks' fees for making returns	19	17	0
Disinfectants, and burying carcasses	8	3	3
Compensation for animals slaughtered	511	2	2
Cardiff corporation—in settlement of their expenses from 1878 to March, 1885	700	0	0
Total	1,892	9	3

County of Glamorgan. Abstract of accounts, etc.—Continued.

POLICE SUPERANNUATION FUND ACCOUNT.

[From Michaelmas, 1885, to Michaelmas, 1886.]

Dr.	£	s.	d.	Cr.	£	s.	d.
1885.							
Sept. 29. To balance brought forward from last account	2,705	0	9	Richard Sadler, 1 year's allowance	105	0	0
Amounts transferred from police account	845	18	4	Evan Rees, 1 year's allowance	79	3	4
				Stephen Adams, 1 year's allowance	78	5	0
				James Davies, 1 year's allowance	55	0	8
				John Poyntz, 1 year's allowance	48	0	0
				Richard Wise, 1 year's allowance	25	0	0
Installments on loans due from the county of Glamorgan:				George Griffiths, 1 year's allowance	20	0	0
Loan of £11,000	149	8	9	Samuel Melhuish, 1 year's allowance	20	0	0
Loan of £2,600	146	17	8	John Beer, 1 year's allowance	53	18	0
Loan of £3,500	309	12	10	John Loughor, 1 year's allowance	62	11	4
Loan of £6,000	338	2	4	William Jenkins, 1 year's allowance	54	12	0
Loan of £6,300	334	5	0	Philip Williams, 1 year's allowance	45	0	0
Loan of £6,000	158	16	5	William Poyntz, 1 year's allowance	26	0	0
Amount realized by sale of £4,619 3s. 3d. consols	1,437	8	0	George Perkins, 1 year's allowance	53	0	0
	4,613	7	9	James Baker, 1 year's allowance	61	0	0
				Wm. Hodgson, 1 year's allowance	78	5	0
				Edward Tamplin, 1 year's allowance	45	18	0
				Edmd. Hopkins, 1 year's allowance	28	15	0
				George Roberts, 1 year's allowance	35	0	0
				John Davies, 1 year's allowance	50	0	0
				P. O. Wrightson, 9 months' allowance	44	5	0
				Charles James, 9 months' allowance	22	10	0
				John Jones, 3 months' allowance	13	10	0
				Gratuity to the widow of the late Police Sergeant Menhinnick	85	16	0
				Loan to the county lunatic asylum	6,000	0	0
				Balance carried to next account	2,411	0	6
Grand total	9,601	9	10		9,601	9	10

TOTAL POLICE SUPERANNUATION FUND AT MICHAELMAS, 1886.

	Loans.			Principal repaid.			Balance owing.		
	£	s.	d.	£	s.	d.	£	s.	d.
Loan to the county	11,000	0	0	8,987	13	7	2,012	6	5
Loan to county lunatic asylum	2,600	0	0	622	7	11	1,977	12	1
Do	3,500	0	0	1,491	19	8	2,008	0	4
Do	6,000	0	0	772	6	2	5,227	13	10
Do	6,300	0	0	723	3	5	5,576	16	7
Do	6,000	0	0	57	6	5	5,942	13	7
	35,400	0	0	12,654	17	2	22,745	2	10
Balance at bank							2,411	0	6
Total							25,156	3	4

My Lords and Gentlemen: Referring to our last report as at Easter, 1885, it will be seen that the liability of the fund in respect of pensions then in force was £10,080, leaving a balance to provide for future pensions of £14,382. Since that date 5 pensions have been granted, amounting to £252 per annum, the capitalized value of these being £3,280. The number of the annuitants now upon the fund is 24, drawing annually £1,227 13s. 6d. (including John Lewis who was not on the fund at the time of printing the financial statement) as against 19 drawing £975 13s. 6d. at Easter, 1885. The present liability of the fund with respect to the pensions now in force we estimate

at £12,997. It will be seen, therefore, that the surplus remaining to provide for future grants is now £12,159, against £14,382 as at Easter, 1885. We do not, therefore, consider that there is present necessity to increase the fund.

We have the honor to be, my lords and gentlemen, your obedient servants,

G. F. HARDY,
HENRY DEVER.

GLAMORGANSHIRE POLICE FORCE, FOR THE YEAR ENDING MICHAELMAS, 1886.

Dr. RECEIPTS.				Cr. PAYMENTS.			
Police rates ordered at—							
Midsummer sessions, 1885	£5,497	16	9	Chief constable's salary	£850	0	0*
Michaelmas sessions, 1885	1,832	12	2	Chief constable's income tax	28	6	8
Epiphany sessions, 1886	5,497	16	8	Contingent expenses	2,208	4	3
Easter sessions, 1886	5,497	16	8	Mileage expenses, apprehending prisoners, attending inquests, etc.	232	6	8
	18,326	2	3	Clerk of the peace's bills	129	4	11
				Police clothing	978	13	4
Midsummer sessions, 1886, on account	3,082	14	5	Printing, stationery, and advertising	123	9	8
	21,408	16	8	Rent of station houses	253	0	5
				Furniture and repairs to station	491	2	9
Sums received under 3d and 4th Vic., cap. 88, sec. 10	845	18	4	Fire-insurance	37	18	9
Sums received under 3d and 4th Vic., cap. 88, sec. 17	1,096	11	10	Superintendents' and men's pay	20,174	11	6*
Inquest fees due to the police	166	10	6	Superannuation fund	845	18	4
Lodging money paid by the police	836	0	11	Clerk's fees in police cases	273	3	9
Peddlers' certificates	139	0	0				
Chimney-sweeps' certificates	0	17	6	On account of contracts, etc.:			
				Tynewydd station	92	0	0
Her Majesty's paymaster-general:				Architect's commission	66	18	7
One-half the expenses of pay and clothing for one year to September 29, 1885	9,408	17	10	Briton Ferry station	116	10	0
				Architect and clerk of works	15	0	6
Merthyr police court, for county court sittings	4	4	0	Treharris station	440	0	0
				Architect and clerk of works	135	12	6
	9,413	1	10	Mountain Ash station	305	1	0
				Architect and clerk of works	32	16	6
County court—allowance for police attendance	18	0	0	Pentre Ystrad station	550	0	0
				Architect's commission	43	14	6
Balance due to treasurer carried to next account	724	4	11	Porth station	1,400	0	0
				Architect and clerk of works	110	0	0
				Purchase of site and vendor's costs	361	3	4
				Cadoxton Juxta Barry station	2,000	0	0
				Architect and clerk of works	85	0	0
					5,753	16	11
				Police expenses at parliamentary elections	160	2	10
				Police expenses at Llangafelach Fair	5	2	6
				Medical attendance on police constables	5	0	6
				Law costs, defending police, etc.	340	17	1
				Auditor's report on police superannuation fund	47	5	0
				Cleaning police courts	1	9	0
				Mountain Ash local board, for private improvements	8	11	0
				Total expenditure for the year	32,948	4	10
				Balance due to treasurer from last account	1,745	19	4
				Less transfer from the county account (See page 1)	45	1	8
					1,700	17	8
	34,649	2	6		34,649	2	6

* N. B.—The salary and wages of the year to Michaelmas, 1885, per printed accounts, were exclusive of the last four weeks, which were paid after the close of the financial year.

County of Glamorgan. Abstract of accounts, etc.—Continued.

Total expenditure for the county for the year as above		£32,948 4 10
Deduct—receipts as follows:		
Sums received under 3 and 4 Vic., superannuation fund	845 18 4	
Sums received under 3 and 4 Vic., sec. 17	1,096 11 10	
Inquest fees	166 10 6	
Lodging money	836 0 11	
Peddlers' certificates and county court allowance	157 0 0	
Chimney-sweeps' certificates	0 17 6	
Her Majesty's paymaster-general—one-half pay and clothing for the year ended September 29, 1885	9,413 1 10	
	12,516 0 11	
Leaving—as the outlay on the force by the county		20,432 3 11

CONTENTS OF THE TREASURER'S BALANCE, MICHAELMAS, 1886.

	Dr.	Cr.
County account		£2,470 3 11
Merthyr stipendiary		89 12 8
Pontypridd stipendiary		1,064 0 0
Lunatic asylum		7,494 17 8
Police	£724 4 11	
Private companies	132 4 4	
Police superannuation fund		2,411 0 6
	856 9 3	13,529 14 9
Deduct—Dr. balances		856 9 3
		12,673 5 6

LOANS, MICHAELMAS, 1885-1886.

[Amounts contracted and amounts paid off from Michaelmas, 1885, to Michaelmas, 1886, with outstanding balances at the latter date.]

Date of receipt in treasurer's book.	From whom borrowed.	Rate per cent.	Method of repayment.	Purpose of loan.	Amount of loan.	Balance due, Michaelmas, 1885.
June, 1875	Police superannuation fund.	4	60 equal half-yearly instalments.	Gaols	£11,000	£2,081 18 6
Apr., 1876	London assurance corporation.	4½	60 half-yearly instalments.	do	18,000	12,600 0 0
	Total				29,000	
Oct., 1865	London assurance corporation.	4½	40 equal half-yearly instalments.	Lunatic asylum.	15,000	568 7 2
Jan., 1870	do	4½	60 half-yearly instalments.	do	10,000	4,833 6 8
Nov., 1873	do	4½	do	do	10,000	5,833 6 8
June, 1875	Police superannuation fund.	4	60 equal half-yearly instalments.	do	2,600	2,046 0 8
Oct., 1878	do	4	30 equal half-yearly instalments.	do	3,500	2,233 9 4
Jan., 1885		4	60 equal half-yearly instalments.	do	6,000	5,359 16 6
Jan., 1880	do	3½	do	do	6,300	5,718 15 8
Jan., 1882	London assurance corporation.	4	do	do	20,000	18,696 6 7
Oct., 1883	do	4	do	do	50,000	48,658 6 5
Nov., 1885	do	4	do	do	10,000	
Nov., 1885	Police superannuation fund.	3½	do	do	6,000	
July, 1886	Leeds Savings Bank.	3½	do	do	15,000	
	Total				154,400	
					183,400	108,619 14 2

County of Glamorgan. Abstract of accounts, etc.—Continued.

LOANS, MICHAELMAS, 1885–1886—Continued.

Date of receipt in treasurer's book.	From whom borrowed.	Payments for the year. On account of interest.	Payments for the year. On account of principal.	Balance due, Michaelmas, 1886.	Date of the last payment and extinction of loan.
June, 1875	Police superannuation fund....	£82 11 9	£69 12 1	£2,012 6 5	1905
Apr., 1876	London assurance corporation..	529 2 6	600 0 0	12,000 0 0	1906
Oct., 1865	.....do.....	11 17 8	558 7 2	.....	1886
Jan., 1870	.....do.....	201 17 6	333 6 8	4,500 0 0	1900
Nov., 1872	.....do.....	244 7 6	333 6 8	5,500 0 0	1903
June, 1875	Police superannuation fund....	81 3 3	68 8 7	1,977 12 1	1905
Oct., 1878	.....do.....	87 2 0	225 9 9	2,008 0 4	1894
Jan., 1880	.....do.....	218 1 8	132 2 8	5,227 13 10	1910
Jan., 1881	..... do.....	198 18 5	141 19 1	5,576 16 7	1911
Jan., 1882	London assurance corporation..	743 16 5	406 17 11	18,289 8 8	1912
Oct., 1883	.....do.....	1,783 12 0	939 15 5	47,718 11 0	1914
Nov., 1885	.....do.....	200 0 0	87 13 6	2,912 6 6	1916
Nov., 1885	Police superannuation	105 0 0	57 6 5	5,942 13 7	1916
July, 1886	Leeds Savings-Bank	.....	.....	15,000 0 0	1916
	Total.....	*4,482 10 8	3,954 5 2	135,665 9 0	

* The rebate of interest on installments not received on the loan of £50,000 amounted to £153 8*s.* 7*d.*

Per cent.	Amount borrowed.	Amount outstanding.
At 4½ per cent.....	£5,300 0 0	£22,000 0 0
4 per cent.....	103,100 0 0	87,145 18 10
3½ per cent	15,000 0 0	15,000 0 0
3¼ per cent	12,300 0 0	11,519 10 2
Total	183,400 0 0	135,665 9 0

SUMMARY OF RECEIPTS AND PAYMENTS BY THE CHIEF CONSTABLE FOR THE YEAR ENDING MICHAELMAS, 1886.

	Epiphany.	Easter.	Midsummer.	Michaelmas.	Total.
RECEIPTS.					
Cash from treasurer for pays:	£ *s.* *d.*	£ *s.* *d.*	£ *s.* *d.*	£ *s.* *d.*	£ *s.* *d.*
No. 1 Division, Merthyr...	1,507 5 4	1,529 4 10	1,541 5 10	1,529 14 4	6,107 10 4
No. 2 Division, Newbridge.	1,318 18 4	1,363 15 4	1,389 0 4	1,387 9 4	5,459 3 4
No. 3 Division, Ogmore....	860 7 11	886 4 4	892 3 10	892 6 10	3,531 2 11
No. 4 Division, Swansea...	846 18 1	849 6 11	832 2 11	834 8 7	3,362 16 6
No. 5 Division, Kibbor	838 11 4	873 1 4	941 10 2	915 0 6	3,568 3 4
Cash from treasurer for underestimate of pay.....	0 15 5	.....	0 6 0	0 7 3	1 8 8
Cash from treasurer for contingent account	300 0 0	300 0 0	300 0 0	300 0 0	1,200 0 0
Cash from treasurer for overpayment on contingent account	377 9 2	404 4 6	319 9 9	387 8 11	1,488 12 4
Amount received for peddlers' certificates.....	.....	69 15 0	.....	61 15 0	131 10 0
Chimney-sweepers' certificates	.....	0 10 0	.....	0 2 6	0 12 6
Amount received for sale of old clothing	56 6 6	.....	.....	.....	56 6 6
Sale of beer and casks forfeited	.....	1 5 0	.....	.....	1 5 0
Amount received for keeping order in county court.....	18 0 0	.....	.....	.....	18 0 0
	6,124 12 1	6,277 7 3	6,215 18 10	6,368 13 3	24,926 11 5

County of Glamorgan. Abstract of accounts, etc.—Continued.

SUMMARY OF RECEIPTS AND PAYMENTS, ETC.—Continued.

	Epiphany.	Easter.	Midsummer.	Michaelmas.	Total.
PAYMENTS.					
Amount of men's pay:	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
County	4,431 8 10	4,526 18 1	4,668 0 7	4,645 2 0	18,271 9 6
Private companies	642 7 0	634 5 8	614 13 8	600 4 11	2,491 11 3
Amounts handed to treasurer:					
Superannuation fund—					
County	74 18 11	76 7 2	78 0 0	78 3 7	307 9 8
Private companies	11 9 0	11 7 4	10 18 10	10 12 10	44 8 0
Fines, county	2 12 4	0 10 0	1 5 1	2 3 2	6 10 7
Lodging money:					
County	200 13 9	203 19 3	207 17 10	207 18 9	820 9 7
Private companies	6 10 0	6 6 0	5 17 0	5 2 3	23 15 3
Overestimates of pay	2 16 7	41 19 3	9 16 1	9 19 4	64 11 3
Received for peddlers' certificates		69 15 0		61 15 0	131 10 0
Chimney-sweepers' certificates		0 10 0		0 2 6	0 12 6
Sale of old clothing	56 6 6				56 6 6
Sale of beer and casks forfeited		1 5 0			1 5 0
Keeping order in county courts	18 0 0				18 0 0
Contingent expenses:					
Chief constables	12 11 3	15 15 3	10 5 1	20 4 4	58 15 11
No. 1 Division	110 11 4	128 19 10	99 18 6	120 4 4	459 14 0
No. 2 Division	123 7 2	137 0 7	123 19 8	137 1 2	521 8 7
No. 3 Division	102 3 7	99 13 7	86 0 1	93 8 2	381 5 5
No. 4 Division	87 7 8	81 10 1	85 15 4	78 12 2	333 5 3
No. 5 Division	113 6 2	108 1 11	95 12 9	106 14 7	423 15 5
Conveyance of prisoners:					
No. 1 Division	27 7 9	28 12 5	25 13 0	28 4 11	109 18 1
No. 2 Division	13 1 7	12 5 11	8 11 8	9 3 4	43 2 6
No. 3 Division	10 2 6	10 1 3	6 15 7	7 15 11	34 15 3
No. 4 Division	1 8 10	0 13 8	0 13 4	0 19 7	3 15 5
No. 5 Division	4 7 5	2 17 9	2 13 8	1 19 2	11 18 0
Mileages:					
No. 1 Division	13 12 2	11 4 11	11 19 3	13 7 7	50 3 11
No. 2 Division	19 7 2	24 10 7	20 6 10	29 17 5	94 2 0
No. 3 Division	6 17 9	8 15 3	8 0 9	7 19 6	31 13 3
No. 4 Division	9 8 4	10 16 6	8 18 3	7 4 4	36 7 5
No. 5 Division	6 19 6	8 4 6	8 19 0	9 17 2	34 0 2
Inquests:					
No. 1 Division	4 0 6	4 16 3	3 18 9	5 5 0	18 0 6
No. 2 Division	3 6 6	3 11 9	4 5 9	3 15 3	14 19 3
No. 3 Division	1 15 0	2 7 6	2 17 6	1 2 6	8 2 6
No. 4 Division	1 17 6	2 17 6	3 0 0	2 15 0	10 10 0
No. 5 Division	1 2 6	1 7 6	1 5 0	1 17 6	5 12 6
Expenses at county courts	3 7 0				3 7 0
	6,124 12 1	6,277 7 3	6,215 18 10	6,308 13 3	24,926 11 5

LUNATIC ASYLUM.—STATEMENT OF RECEIPTS AND EXPENDITURE TO MICHAELMAS, 1886.

Items.	Total to Michaelmas, 1886.
RECEIPTS.	£ s. d.
Loans	210,400 0 0
Sale of spare lands	150 0 0
County rate	3,200 0 0
Rent of farm	317 14 7
Rents from additional land	111 8 8
Sale of crops	30 16 9
Interest on deposits	337 9 6
Total	214,547 9 6

County of Glamorgan. Abstract of accounts, etc.—Continued.

LUNATIC ASYLUM.—STATEMENT OF RECEIPTS, ETC.—Continued.

Items.	Total to Michaelmas, 1886.	Epiphany quarter.	Easter quarter.	Midsummer quarter.	Michaelmas quarter.	Expended during the year to Michaelmas, 1886.
PAYMENTS.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Purchase money	5,671 10 5					
Law charges	1,857 0 11	73 12 6			161 18 0	235 10 6
Surveys and valuations	1,288 12 11					
Barnsley "contract"	67,660 11 6					
Lovatt, H., "contract and extras"	62,601 15 1	4,822 1 9	6,958 7 8		200 0 0	11,980 9 5
Additions and alterations to buildings	6,043 14 8					
Architects and clerks of works	11,615 12 9	310 0 0	407 15 2	76 2 0	282 4 9	1,076 1 11
Gas-pipes and fittings	1,587 15 0				200 0 0	200 0 0
Iron fencing	458 10 0					
Painters and plumbers	208 12 5					
Furnishing and clothing	14,342 4 3		3,700 0 0			3,700 0 0
Tithes and taxes	55 9 5					
Engineers' work, etc.	3,827 19 5					
Tools, implements, seeds, etc	167 11 1					
Salaries of officers	668 6 10					
Wages to workmen	399 4 4					
New river embankment and filter-beds	5,847 12 8					
New water-supply and reservoir	1,805 18 5				1,142 10 0	1,142 10 0
New bridge and cottages	1,161 4 11					
New hospital and church extension	4,128 5 9					
Sewerage tank and works	591 15 1					
Additional land, awards and roads	10,597 13 2	208 10 6	100 0 0	1,772 16 0		2,081 6 6
Farm at Parc Gwylt	1,200 0 0					
Carpenters' shop and sundries	690 10 10			150 0 5		150 0 5
Gas-works	1,950 0 0			400 0 0	1,550 0 0	1,950 0 0
Medical superintendent's house	625 0 0				625 0 0	625 0 0
Balance	7,494 17 8					
Total	214,547 9 6	5,414 4 9	11,166 2 10	2,398 18 5	4,161 12 9	23,140 18 9

	Landlords' repairs and insurance.	Special fund account.	Maintenance of county lunatics.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Epiphany	163 5 1	64 18 3	543 1 0	771 4 4
Easter	307 7 1	272 6 0	536 3 5	1,115 16 6
Midsummer	325 8 11	97 17 6	476 9 0	899 15 5
Michaelmas	503 2 1		473 14 3	976 16 4
	1,299 3 2	435 1 9	2,029 7 8	3,763 12 7
T. M. Franklen, clerk to Vernon House Asylum				9 17 0
Total				3,773 9 7

County of Glamorgan. Abstract of accounts, etc.—Continued.

STATEMENT OF CONTRACTS FOR WORKS IN EXECUTION.

Date of making contract.	Date when contract should be completed.	Purpose of contract.	Amount of contracts.	Balance due on account of contracts, Michaelmas, 1885.	Amounts paid on account of contracts.				Balance due Michaelmas, 1886.
					Epiphany.	Easter.	Midsummer.	Michaelmas.	
1884.	1884.		£. s.	£. s.	£ s.	£. s.	£. s.	£. s.	£. s.
Feb. 6 ..	Dec. 6...	James Richards, erection of police station at Tynewydd.	1,106 9½	26 9½	26 9½ / 65 10½	.....	.....	.....	Extras.
	1885.								
Nov. 12 .	Aug. 12.	John Morgan, erection of police station at Treharris.	1,790 0	490 0	300 0	140 0	.....	.....	50 0
1885.									
June 7..	Aug. 7 ..	John Morgan, addition to police station at Mountain Ash.	299 10	299 10	.....	200 0	.....	99 10 / 5 11	Extras.
June 17.	Aug. 17.	William John, additions to police station at Briton Ferry.	216 0	116 0	70 0	36 10	.....	9 10	.....
Sept. 30.	Dec. 30..	John Morgan, alterations and additions to Pentre Ystrad police station.	583 0	.....	.....	.....	300 0	250 0	33 0
	1886.								
Nov. 25.	Aug. 25.	Charles Jenkins & Son, erection of police station at Porth.	2,100 0	.....	.....	.....	700 0	700 0	700 0
1886.	1887.								
May 3..	Jan. 3...	Thomas A. Walker, erection of police station at Cadoxton Juxta Barry.	3,000 0	.....	.....	.....	.....	2,000 0	1,000 0
Sept. 6 ..	Mar. 6 ..	John Morgan, alterations and additions to police station at Pontypridd.	1,567 0	.....	.....	.....	.....	.....	1,567 0
		Total.....	10,661 19½	931 19½	462 0	376 10	1,000 0	3,064 11	3,350 0

MERTHYR STIPENDIARY JUSTICE ACCOUNT, FROM MICHAELMAS, 1885, TO MICHAELMAS, 1886.

RECEIPTS.	£	s.	d.	PAYMENTS.	£	s.	d.
Balance in hands of treasurer from last account.....	220	19	6	Stipendiary justice's salary.....	700	0	0
Rate ordered:				Cleaning magistrate's room:			
Epiphany sessions, 1886	306	0	0	Aberdare	8	7	4
Magistrates' clerks' fees:				Merthyr	27	19	3
Epiphany, 1886	158	19	3	Magistrate's clerk's salary.....	300	0	0
Easter, 1886.....	172	8	3	Stationery and printing.....	38	11	1
Midsummer, 1886	152	15	5	Clerk of the peace, making rates ...	16	16	0
Michaelmas, 1886	170	3	11	Balance in hands of treasurer, carried to next account	89	12	8
Total	1,181	6	4	Total	1,181	6	4

County of Glamorgan. Abstract of accounts, etc.—Continued.

PONTYPRIDD STIPENDIARY JUSTICE ACCOUNT, FROM MICHAELMAS, 1885, TO MICHAELMAS, 1886.

RECEIPTS.	£	s.	d.	PAYMENTS.	£	s.	d.
Balance in hands of treasurer from last account	551	8	10	Stipendiary justice's salary	700	0	0
Rate ordered:				Rent of police court, Pentre	20	0	0
Epiphany sessions, 1886	444	0	0	Rent of county court, Pontypridd	15	0	0
Michaelmas sessions, 1886, on account	434	15	9	Cleaning police court:			
Magistrates' clerks' fees:				Llantrissant	5	0	0
Epiphany, 1886	258	12	0	Pontypridd	12	0	0
Easter, 1886	388	11	10	Magistrates' clerk's—			
Midsummer, 1886	187	7	0	Salary	600	0	0
Michaelmas, 1886	244	9	6	Office rent	21	0	0
				Cleaning office	3	18	0
				Stationery and printing	30	0	0
				Sundry office expenses	11	10	11
				Furnishing	10	0	0
				Clerk of the peace, making rates	16	16	0
				Balance in hands of treasurer, carried to next account	1,064	0	0
Total	2,509	4	11	Total	2,509	4	11

MICHAELMAS, 1888.—PAYMENTS TO BE MADE ON ACCOUNT OF EXISTING LOANS FROM YEAR TO YEAR (INTEREST AND PRINCIPAL), UNTIL EXTINCTION.

Year ending September—	Interest.			Principal.			Total.			Year ending September—	Interest.			Principal.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.	£	s.	d.
1887	5,347	8	1	3,905	17	2	9,253	5	3	1903	2,377	16	8	5,240	10	1	7,618	6	9
1888	5,189	1	6	4,010	7	1	9,199	8	7	1904	2,171	13	4	5,250	19	3	7,422	12	7
1889	5,026	9	8	4,119	2	3	9,145	11	11	1905	1,962	0	6	5,435	11	7	7,397	12	1
1890	4,859	11	11	4,232	3	4	9,091	15	3	1906	1,748	1	10	5,321	15	1	7,069	16	11
1891	4,688	4	9	4,349	13	10	9,037	18	7	1907	1,542	4	8	4,908	9	9	6,450	14	5
1892	4,512	4	9	4,471	17	2	8,984	1	11	1908	1,343	2	1	5,102	12	4	6,450	14	5
1893	4,331	6	11	4,598	18	4	8,930	5	3	1909	1,146	6	2	5,304	8	3	6,450	14	5
1894	4,145	8	9	4,574	14	4	8,720	3	1	1910	936	9	10	5,341	10	7	6,278	0	5
1895	3,963	14	6	4,546	6	5	8,510	0	11	1911	728	16	1	5,205	19	10	5,934	15	11
1896	3,780	2	3	4,676	2	0	8,456	4	3	1912	525	8	3	4,663	18	6	5,189	6	9
1897	3,591	7	8	4,810	19	11	8,402	7	7	1913	351	14	6	4,262	3	9	4,613	18	3
1898	3,397	5	11	4,951	5	0	8,348	10	11	1914	182	17	8	2,992	12	7	3,175	10	3
1899	3,197	12	10	5,097	1	5	8,294	14	3	1915	94	3	10	1,642	18	5	1,737	2	3
1900	2,992	3	6	5,082	0	9	8,074	4	3	1916	31	8	2	1,255	14	2	1,287	2	4
1901	2,791	7	6	5,072	19	3	7,864	6	9										
1902	2,587	16	10	5,236	16	7	7,824	13	5		79,548	10	11	135,665	9	0	215,213	19	11

MICHAELMAS, 1886.—QUARTERLY PAYMENTS TO BE MADE ON ACCOUNT OF EXISTING LOANS FOR THE FINANCIAL YEAR ENDING MICHAELMAS, 1887 (INTEREST AND PRINCIPAL).

	Interest.			Principal.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.
Epiphany, 1887	1,708	3	11	1,249	16	4	2,958	0	3
Easter, 1887	985	1	1	690	5	11	1,675	7	0
Midsummer, 1887	1,682	15	2	1,265	6	8	2,948	1	10
Michaelmas, 1887	971	7	11	700	8	3	1,671	16	2
	5,347	8	1	3,905	17	2	9,253	5	3

County of Glamorgan. Abstract of accounts, etc.—Continued.

GLAMORGAN CONSTABULARY.—RETURN FOR THE YEAR ENDING MICHAELMAS, 1886.

Division.	No.	Rank.	Salary.	Forage and travelling expenses.	Clothing.	Weekly allowance for boots.
			£ s. d.	£	£	s. d.
Headquarters..	1	Chief constable	600 0 0	100	.....	.....
No. 1	1	Superintendent and deputy chief constable, first-class	220 0 0	65	13	1 0
	2	Inspectors, first-class	110 0 0	.....	(*)	6
		Sergeants:				
	2	Merit-class .....per week.	34 0	.....	(*)	6
	3	First-class.....do...	33 0	.....	(*)	6
	1	Second-class.....do...	31 6	.....	(*)	6
	3	Third-class .....do...	30 6	.....	(*)	6
		Constables:				
	11	Merit-class .....do...	29 0	.....	(*)	6
	8	First-class (after 5 years)...do...	28 0	.....	(*)	6
	12	First-class (after 2 years)...do...	27 0	.....	(*)	6
	10	First-class (on appointment).do...	26 0	.....	(*)	6
	5	Second-class.....do...	25 0	.....	(*)	6
	5	Third-class .....do...	24 0	.....	(*)	6
No 2	1	Superintendent, first-class.....	200 0 0	65	13	1 0
		Inspectors:				
	1	First-class	110 0 0	.....	(*)	6
	1	Third-class	160 0 0	.....	(*)	6
		Sergeants:				
	1	Merit-class .....per week.	34 0	.....	(*)	6
	2	First-class.....do...	33 0	.....	(*)	6
	4	Second-class.....do...	31 6	.....	(*)	6
	1	Third-class.....do...	30 6	.....	(*)	6
		Constables:				
	12	Merit-class .....do...	29 0	.....	(*)	6
	23	First-class (after 5 years)...do...	28 0	.....	(*)	6
	6	First-class (after 2 years)...do...	27 0	.....	(*)	6
	3	First-class (on appointment).do...	26 0	.....	(*)	6
	6	Second-class.....do...	25 0	.....	(*)	6
	2	Third-class .....do...	24 0	.....	(*)	6
No. 3	1	Superintendent, first-class.....	200 0 0	65	13	1 0
	1	Inspector, first-class.....	110 0 0	.....	(*)	6
		Sergeants:				
	3	First-class.....per week.	33 0	.....	(*)	6
	1	Second-class.....do...	31 6	.....	(*)	6
	1	Third-class .....do...	30 6	.....	(*)	6
		Constables:				
	8	Merit-class .....do...	29 0	.....	(*)	6
	11	First-class (after 5 years)...do...	28 0	.....	(*)	6
	3	First class (after 2 years)...do...	27 0	.....	(*)	6
	7	First-class (on appointment).do...	26 0	.....	(*)	6
	2	Second-class.....do...	25 0	.....	(*)	6
	2	Third-class .....do...	24 0	.....	(*)	6
No. 4.....	1	Superintendent, first-class	200 0 0	65	13	1 0
	1	Inspector, second-class	105 0 0	.....	(*)	6
		Sergeants:				
	2	First-class .....per week.	33 0	.....	(*)	6
	1	Second-class..... .do...	31 6	.....	(*)	6
	3	Third-class .....do...	30 6	.....	(*)	6
		Constables:				
	6	Merit-class .....do...	29 0	.....	(*)	6
	12	First-class (after 5 years)...do...	28 0	.....	(*)	6
	5	First-class (after 2 years)...do...	27 0	.....	(*)	6
	7	First-class (on appointment).do...	26 0	.....	(*)	6
	1	Second-class.....do...	25 0	.....	(*)	6
	2	Third-class .....do...	24 0	.....	(*)	6
No. 5.....	1	Superintendent, first-class.....	200 0 0	65	13	1 0
	1	Inspector, first-class.....	110 0 0	.....	(*)	6
		Sergeants:				
	1	Merit.....per week.	34 0	.....	(*)	6
	2	First-class.....do...	33 0	.....	(*)	6
	1	Second-class.....do...	31 6	.....	(*)	6
	1	Third-class .....do...	30 6	.....	(*)	6
		Constables:				
	4	Merit-class .....do...	29 0	.....	(*)	6
	7	First-class (after 5 years)...do...	28 0	.....	(*)	6
	4	First-class (after 2 years)...do...	27 0	.....	(*)	6
	4	First-class (on appointment).do...	26 0	.....	(*)	6
	1	Second-class..... do...	25 0	.....	(*)	6
	7	Third-class .....do...	24 0	.....	(*)	6

* Clothing supplied.

INDEX.

[Consular Reports Nos. 98, 99, 100, forming Vol. XXVIII.]

Adamson, Thomas, coffee in Panama, 93.
Aguadilla, coffee in, 120.
Alden, William L., taxation in Italy, 514.
Arecibo, coffee in, 123.
Argentine Republic, coffee in, 67.
Astwood, H. C. C., coffee in San Domingo, 93.
Austria, Bohemia, taxation in, 275.
tax, county, 278.
direct, government, 275.
direct, 278.
district, 278.
income, 277.
indirect, 283.
license, 286.
town, 286.
Austria, Empire of, taxation in, 260.
pressure of taxation upon business and industry, 273.
tax, building, 262.
direct, 261.
house-class, 263.
rent, 262.
income, 268.
indirect, 269.
internal, 260.
roll of a Vienna business man, 273.
Bahia, coffee in, 14.
Baker, E. L., coffee in Buenos Ayres, 67.
Barnett, Henry, coffee in Dutch Guiana, 86.
Barranquilla, coffee in, 93.
Belgium, Brussels, 303.
taxation in, 291–314.
Belgium, tax, direct, 314.
for attending business exchange, 293.
indirect, 305, 318.
municipal, on—
fish sold at auction, 295.
hack-stands, 294.
places of public entertainment, 295.
public slaughter-houses, 294.
sewers and pavements, 292.
space in public markets, 294.
street venders, 294.
on assessed income from buildings, 292.
doors and windows, 292.
furniture, 292.
horses, carriages, servants, and dogs, 293.
license, 295–302.
mines, 302.
Belgium, tax, personal, 300.
provincial, 303.
real estate, 299.
state, provincial, and municipal, upon property, 292.
state, 314.
Berlin, brief history of, 407.
budget of, 418.
communal households of, 418.
homes of working people, 193.
municipal administration of, 406.
Bernhard, George, coffee in Honduras, 63.
Beylard, Louis D., coffee in Jamaica, 110.
Bird, Winfield S., coffee in La Guayra, 102.
Bochum, homes of working people, 252.
Boissevain, Gideon Maria, on taxation in the Netherlands, 559.
Bordeaux, budget of, 375.
finances of, 374.
Breslau, budget of, 460.
homes of working people in, 203.
Brewer, Louis R., coffee in San Benito, 49.
British Guiana, coffee in, 85.
Honduras, coffee in, 85.
Bunker, D. T., coffee in Demerara, 85.
Burchard, William C., coffee in Ruatan and Truxillo, 64.
Burke, David N., coffee in Puerto Cabello, 105.
Callao, coffee in, 36.
Camphausen, Edward, taxation in Naples, 533.
Carroll, Philip, taxation in Palermo, 547.
Carthagena, coffee in, 35.
Catlin, George L., taxation in Zurich, 634.
Ceara, coffee in, 76,
Chemnitz, homes of working people in, 235.
Cienfuegos, coffee in, 119.
Ciudad Bolivar, coffee in, 22, 104.
Coffee in British West Indies, 110.
Jamaica, 40, 110.
Trinidad, 112.
Central American States, 25,
British Honduras, 85.
Costa Rica, 30–54.
Guatemala, 26–59.
Honduras, 63.
Ruatan and Truxillo, 64.
Nicaragua, 33–64.
Salvador, 66.
France, 41.
Hayti, 37, 127.
Holland, 42.

Coffee in Mexico, 27, 48.
La Paz, 48.
San Benito, 49.
Tampico, 50.
Tehuantepec, 52.
Tuxpan, 53.
Vera Cruz, 29–49.
South America, 67.
Argentine Republic, 67.
Brazil, 4, 69.
Bahia, 14.
Ceara, 76.
Minas Geraes, 15.
Pernambuco, 14.
Rio de Janeiro, 5, 71.
Sao Paulo, 8.
Santos, 77.
British Guiana, 85.
Dutch Guiana, 86.
Ecuador, 35, 87.
Paraguay, 89.
Peru, 36–89.
Callao, 36.
Lambayeque, 89.
Republic of Colombia, 34–90.
Barranquilla, 93.
Carthagena, 35.
Grenada, 34.
Panama, 93.
Uruguay, 94.
Venezuela, 20, 94.
Ciudad Bolivar, 22, 104.
Cumana, 105.
La Guayra, 23, 102.
Maracaibo, 22, 94.
Puerto Cabello, 25, 105.
San Cristobal, 100.
Tovar, 108.
San Domingo, 30, 137.
Spanish West Indies, 116.
Cuba, 37, 116.
Cienfuegos, 119.
Trinidad, 120.
Porto Rico, 38, 120.
Aguadilla, 120.
Arecibo, 123.
Ponce, 124.
San Juan, 125.
Coffee trade of Europe, 140.
Communal life, 409.
Conroy, Edward, coffee in San Juan, 125.
Costa Rica, coffee in, 30, 54.
Crefeld, homes of working people in, 240.
Crouch, Henry C., taxation in Milan, 553.
Crowe, C. L., taxation in Zante, 512.
Cuba, coffee in, 37, 116.
Cumana, coffee in, 105.
Definition of "Gemeinde," 409.
Denmark, taxation in, 323.
tax, direct, 323.
indirect, 323.
local, 324.
Diller, Isaac R., taxation in Florence, 529.
Dithmar, Henry, taxation in Breslau and Silesia, 457.
Doctrines of administration law, 411.
Dortmund, homes of working people in, 241.
Drayton, John, coffee, in Tuxpan, 53.
Dufais, F. F., taxation in France, 327.
Dunfermline, district taxation in, 741.
Dupré, Louis J., coffee in Salvador, 66.
Dutch Guiana, coffee in, 86.
Eckstein, D., taxation in the Netherlands, 557.
Ecuador, coffee in, 35–87.
Ehninger, Henry A., coffee in Cienfuegos, 119.
Elberfeld, homes of working people in, 237.
England—
Leeds, finances of, 682.
taxation in, 678.
tax, borough, 679.
how estimated, 680.
poor, how collected, 679.
Liverpool, taxation in, 692.
tax, national, 694.
Local taxation, 652.
London, local taxation in, 653.
taxation in, 650.
Newcastle-upon-Tyne, taxation in, 695.
tax, excise, 696.
income, 695.
municipal, 697.
property, 695.
Sheffield, tax, imperial, 699.
local, 703.
finances of, 705.
taxation in, 699.
Essen, homes of working people in, 249.
Fay, Andrew F., taxation in Stettin, 505.
Finlay, James F., coffee in Ponce, 124.
Folsom, Benjamin, taxation in Sheffield, 699.
Förster, Charles, taxation in Elberfeld, 487.
Fox, Williams C., taxation in Brunswick, 461.
France, assessment and collection, 373.
coffee in, 41.
Department of the Gironde—
taxation, in 369.
tax assimilated, 370.
centime additional, 372.
direct, 369.
indirect, 370.
land, 371.
French revenues and tax system, 336.
Marseilles, tax assimilated, 400.
direct, 396.
door and window, 397.
indirect, 401.
municipal, 404.
octroi, 403.
personal and mobiliary, 396.
real estate, 396.
mixed and domainal revenues, 348.
notice to tax-payers, 335.
prestation in kind, 333.
principle of exemptions, 332.
recording leases, 336.
Rouen tax, direct and indirect, 389.
taxation in, 327.
tax, direct, 355.
dog, 333.
door and window, 229, 355.
fixed, 365.

France, tax, fixity of real estate, 327.
indirect, 333-340.
license, 330.
octroi, 383.
personal and mobiliary, 330.
proportional, 331.
real estate, 327.
Frankfort-on-the-Main, finances of, 440.
houses of working people in, 224.
local taxation, 439.
Ganslandt, Auguste, coffee in Aguadilla, 120.
Germany, 406.
Alsace-Lorraine, taxation in, 451.
tax, doors and windows, 452.
license, 452.
land, 451.
personal and personal property, 451.
Bremen, taxation in, 455.
tax, direct, 455.
indirect, 455.
Breslau and Silesia, further exemptions, 485.
how communal tax is collected, 458.
tax, business 459.
real estate, 459.
taxation in, 457.
those exempted from taxation, 458.
Brunswick, administrative features, 471.
Cammergut, 462.
lottery, 467.
taxation in, 461.
tax, ground, 463.
indirect, 466.
personal, 464.
trade, 465.
Chemnitz and Saxony, finances of, 476.
meaning of "income," 481.
taxation in, 476.
tax, graduation of, 481.
supervisors, duties of, 483.
table, basis of, 484.
Delinquent tax-payers, 437.
Dusseldorf, equity of the assessments, 485.
evils of indiscriminate taxation, 486.
method of assessment, 485.
taxation in, 484.
tax, amusement, 485.
compulsory church, 487.
mode of levying, 486.
municipal and local, 486.
Elberfeld, finances of, 489.
taxation in, 487.
tax assessment, regulations of, 488.
state, 487.
Hamburg, "Aversum" and per capita, 490.
cheap process of collecting taxes, 494.
state household account, 495.
taxation in, 489.
Germany—Continued.
Hamburg, tax inheritance, 493.
receipts, 491.
victual, 492.
Mayence, finances of, 499.
taxation in, 499.
Kinds of taxes, 425.
Stettin, taxation in, 505.
tax, brewing, 506.
church, 506.
house, 506.
land, 505.
trade, 506.
Stuttgart, budget of, 510.
Tax, bourse, 427.
brewing, 426.
church and school, 430.
direct, 432.
graded income, 432.
indirect, 438.
land, 433.
mining, 439.
municipal, 429.
on ardent spirits, 426.
bills of exchange, 427.
buildings, 433.
playing-cards, 427.
trade and occupation, 434.
Prussian State, 428.
Salt, 425.
Sugar, 425.
Tobacco, 425.
Wurtemberg, taxation in, 508.
tax, direct, 508.
indirect, 509.
local, 509.
Ghent, finances of, 319.
Gironde, budget of, 376.
Department of, finances of, 374.
Great Britain, imperial revenue of, 685.
Greathouse, William R., coffee in Tampico, 50.
Greece, Piræus, taxation in, 511.
Zante, taxation in, 512.
tax, local, 513.
Grenada, coffee in, 34.
Guatemala, coffee in, 26-59.
Hamburg, homes of working people in, 198.
Havre, octroi tariff, 356.
Hawes, John B., taxation in Bohemia, 275.
Hayti, coffee in 37-127.
Hill, Edmund J., coffee in Uruguay, 94.
Hoff, Joseph D., coffee in Vera Cruz, 49.
Holland, coffee in, 42.
Homes of German working people, 173.
Berlin, 193.
Bochum, 252.
Breslau, 203.
Chemnitz, 235.
Crefeld, 240.
Dortmund, 241.
Elberfeld, 237.
Essen, 249.
Frankfort-on-the-Main, 224.
Hamburg, 198.
Osnabrück, 256.
Strasburg, 228.

Honduras, coffee in, 63.
Hosmer, James R., coffee in Guatemala, 59.
Ireland, Cork, taxation in, 730.
tax, corporation, 731.
county, 731.
local, 730.
poor-law, 731.
Italy, Florence, taxation in, 529.
tax, building and land, 539.
family, 531.
municipal, 532.
Leghorn, finances of, 546.
taxation in, 544.
Milan, effects of taxation, 556.
finances of, 555.
taxation in, 553
tax, city, 554.
direct, 553.
Naples, finances of, 539.
taxation in, 533.
tax, municipal, 538.
provincial, 538.
state, 533.
Palermo, duties in, 548.
taxation in, 547.
tax, building, 550.
direct, 547.
income, 550.
indirect, 547.
land, 550.
taxation in, 514.
tax, collection, 526.
communal, 520.
discretionary, 520.
Government, 517.
octroi, 516.
provincial, 520.
state, 514.
Jamaica, coffee in, 40, 110.
Jüssen, Edmund F., taxation in Austria, 260.
Johnson, Edmund, taxation in Alsace-Lorraine, 451.
Jonas, Charles, taxation in Bohemia, 281.
Jones, Evan R., taxation in Wales, 757.
Juridic controls in Prussia, 411.
Kimball, C. P., taxation in Wurtemberg, 508.
La Guayra, coffee in, 23, 102.
Lallemant, J. A., coffee in San Cristobal, 100.
Lambayeque, coffee in, 89.
Lang, W. W., coffee trade of Europe, 140, 489.
Langner, Albert, coffee in Tehuantepec, 52.
La Paz, coffee in, 48.
La Point, Alfred, coffee in Lambayeque, 89.
Lathrop, Lorin A., taxation in England, 658.
Leipsic, homes of working people in, 210.
Loening, Albert, taxation in Bremen, 455.
Magdeleno, José P. y, coffee in Trinidad, 120.
Man, Ernest A., taxation in Sweden, 614.
Maracaibo, coffee in, 22, 94.
Marston, H. C., taxation in Malaga, 612.
Mason, Frank H., taxation in Marseilles, 395.
McCall, Charles R., coffee in Santos, 69–77.
McDowall, A. C., taxation in Piræus, 511.
McGarr, Owen A., coffee in Ecuador, 87.
Merits and demerits of Berlin's financial system, 421.
Minas Geraes, coffee in, 15.
Morlan, Albert E., coffee in British Honduras, 85.
Mueller, Jacob, taxation in Prussia, 432.
Murphy, George H., taxation in Saxony, 476.
Nature, origin, and development of Prussian law, 409.
Netherlands, Amsterdam, finances, 570.
revenue receipts, 577.
budget of North Holland, 569.
conversion of the Dutch debt, 580.
excise duties, 578.
public taxation, 559.
taxation in, 557.
tax, local and provincial, 564.
Nicaragua, coffee in, 33, 64.
Osnabrück, homes of working people, 256.
Panama, coffee in, 93.
Paraguay, coffee in, 89.
Partello, D. J., taxation in Dusseldorf, 484.
Pernambuco, coffee in, 14.
Platt, John J., taxation in Cork, 730.
Plumacher, E. H., coffee in Maracaibo, 94.
Polachek, Max, taxation in Belgium, 314.
Ponce, coffee in, 124.
Porto Rico, coffee in, 38, 120.
Prague, revenue and expense account of, 288.
Pressure of taxation upon business and industry in Austria, 273.
Principles of organizing administration in Prussia, 414.
Prussian legislation as to a reform, 412.
Public debts of Europe, 260.
Puerto Cabello, coffee in, 25-105.
Raine, F., municipal administration of Berlin, 406.
Rawicz, Joseph, taxation in Poland, 582.
Recent progress of foreign trade, 145.
Rehbein, M., coffee in Tovar, 108.
Reichenberg, finances of, 280.
Reimer, Otto E., coffee in Cuba, 116.
Relation of Berlin's government to the state, 416.
Rio de Janeiro, coffee in, 5, 71.
Rogers, Professor, taxation, 715.
Romberg, J. G. Nunez, coffee in Cumana, 105.
Roosevelt, George W., taxation in Gironde, 369.
Rouen, finances of, 394.
Ruatan and Truxillo, coffee in, 64.
Russell, Charles T., taxation, national and local, 692.
Russia, budget of, 1887, 603.
finances of, 593.
Poland, taxation in, 582.
tax, direct, 582.
indirect, 589.
maintenance of public institutions, 590.
municipal, 591.
public debt of, 610.
Ryder, Henry B., taxation in Denmark, 323.
Salvador, coffee in, 66.
San Benito, coffee in, 49.
San Cristobal, coffee in, 100.
San Domingo, coffee in, 39, 137.
San Juan, coffee in, 125.
Santos, coffee in, 77.
Sao Paulo, coffee in, 8.
Sawyer, Moses H., coffee in Trinidad, 112.

Scotland, Edinburgh and Leith, tax, direct, 743.
indirect, 744.
local, 748.
national, 742.
taxation in, 732.
tax, imperial, 736.
Shackelford, H. A., taxation in France, 382.
Slade, William, direct taxes of Belgium, 299.
Smith, James Henry, homes of German working people, 175.
taxation in Mayence, 499.
Smith, Jasper, taxation in Newcastle-upon-Tyne, 695.
Spain, Malaga, taxation, 612.
Sphere of administration in Prussia, 412.
Steuart, John H., taxation in Belgium, 291.
Strasburg, homes of working people in, 228.
Sweden, tax, local, 615.
national, 614.
Switzerland, Basle, taxation in, 627.
tax, income, 628.
inheritance, 629.
municipal, 629.
property, 628.
canton of Berne, taxation in, 620.
tax, direct, 620.
indirect, 621.
city of Berne, taxation in, 625.
federal expenses, 620.
St. Galle, taxation in, 631.
taxation in, 618.
tax, special, 618.
Valais, taxation in, 633.
Zurich, finances of, 645.
taxation in, 634.
tax, amounts collected, 638.
building, 641.
cantonal, 634.
dog, 641.
inheritance, 639.
law, cantonal, 634.
law, municipal, 643.
Switzerland, Zurich, tax, license, 614.
military, 639.
municipal, 642.
Tampico, coffee in, 50.
Taxation. (*See* under each country.)
national and local in England, 668.
of coffee in Brazil, 15.
Tehuantepec, coffee in, 52.
Thompson, John E. W., coffee in Hayti, 127
Tovar, coffee in, 108.
Trinidad, coffee in, 112.
Trinidad de Cuba, 120.
Tuxpan, coffee in, 53.
Underhill, George F., coffee in Ciudad Bolivar, 104.
Underwood, F. H., taxation in Scotland, 732.
United Kingdom, finances of 1887, 672.
Uruguay, coffee in, 94.
Vera Cruz, coffee in, 20–49.
Vifquain, Victor, coffee in Barranquilla, 98.
Viosca, James, coffee in La Paz, 48.
Von Versen, F., taxation in German Empire, 424.
Wales, area and authority, 757.
Cardiff, taxation in, 757.
distribution of taxation, 769.
Glamorgan, 761.
local government, 757.
tax, imperial, 771.
impost, 771.
internal revenue, 773.
income, 774.
Walker, John F., coffee in Republic of Colombia, 90.
Walker, Lucien J., taxation in Dunfermline, 741.
Waller, Thomas M., taxation in London, 650.
Walling, Willoughby, taxation in Edinburgh, 742.
Wigfall, F. H., taxation in Leeds, 678.
Williams, Charles P., taxation in Rouen, 389.
Wills, Charles H., coffee in Nicaragua, 64.
Winchester, Boyd, taxation in Switzerland, 618.
Wingfield, J. Richard, coffee in Costa Rica, 54.
Wolf, Elias, coffee in Arecibo, 122.

Dept. of State

REPORTS

FROM THE

CONSULS OF THE UNITED STATES.

Nos. 99 and 100.—NOVEMBER and DECEMBER, 1888.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1888.